



LOMBARD

# Stock Exchange aberration

BY C. GORDON TETHER

THERE are many things that the Stock Exchange could usefully do to improve its public image. I would have thought that its current advertising blighting up remarks taken from a speech by Mr. David Rockefeller, the American banking tycoon, into a great puff for multinational companies was one of them.

There is, to begin with, the question of whether—as a matter of broad principle—it is right for an organisation that is serving the public at large and all types of companies to be seen engaging in propaganda for one form of private enterprise as opposed to another. It happens to be one of the facts of business life that the multinational concern is apt to make life very trying for companies that are struggling to survive in a much smaller base. Would the latter not have had every right to remind the Stock Exchange, taking a special pleading for their giant competitors?

This advertisement also, however, raises issues of much wider importance. For it consisted largely of editorial elaborations of themes developed in the Rockefeller speech. And in many cases this involved the Stock Exchange in making some highly debatable, not to say provocative comments.

## Juxtaposition

Take for example, the following passage appended to a quotation from the Rockefeller speech asserting that "the world and its economy are at something of a crossroads." "The nations themselves" it runs, "are totally unable to achieve anything resembling a united world policy. Only multinational corporations have broken through the boundaries to create more jobs, economic advancement and greater social benefits."

The idea that the multinational concerns should be allowed to provide a form of world Government is, not of course, actually spelt out here. But the juxtaposition of the alleged inability of the nations to organise themselves and the ability of the multinationals to get things done must surely have the effect of fostering the impression in the public's mind that there is quite a lot to be said for allowing the multinational community greater freedom to order our affairs. The implications for democracy hardly need to be underlined.

No less open to question is a subsequent paragraph in which the Stock Exchange mounts a vicious attack on those who have had the temerity to criticise multinational companies and the system of which they are a part. Taking its cue from a Rockefeller

reference to "a distrust of free enterprise and the free market economy," the advertisement says: "Despite this fact, it is the multinational corporations that have become the target for criticism and hostility from many quarters."

"Little of the criticism is constructive," the passage continues, "it is a bitter frontal attack aimed at curbing the power of multinational companies." And, though made in the name of the liberal tradition, it is often based on illiberal concepts. It is these attacks from free thinking academics, writers, economists and politicians that David Rockefeller has chosen to answer—to put before them the choice between isolationism and narrow nationalism or growing internationalism and economic co-operation."

## Good points

I realise that it will be said that only those the cap actually fits are obliged to wear it. There is a suggestion that very occasionally a criticism could be constructive or not based on "illiberal concepts." But who can seriously doubt that the effect of reading this paragraph must be to encourage the public to believe that it is those who criticise the multinational concerns who are the villains.

No one questions that the multinationals have their advantages. And no doubt some of the criticism directed against them really is inspired by considerations which have nothing to do with concern for the public interest. Yet there can be no justification for denouncing those who are worried about the growth of the multinationals, power in such sweeping fashion.

And it is equally wrong to imply, as the Stock exchange advertisement does, that those who are on the side of multinational companies are automatically progressive internationalists whereas those who have their reservations about them are bogged down in the rut of narrow nationalism.

Growing internationalism has certainly not been shown to be an unmixed blessing and the arguments of those who maintain that it could end up by generating frictions capable of bringing about the collapse of our civilisation cannot be dismissed out of hand. As with everything else, one can have too much of a good thing.

What one does not want to see is the public being sold pre-packaged ideas on these great issues of the kind that surfaced in the Stock Exchange advertisement.

## RACING

BY DOMINIC WIGAN

# Piggott for Dee Stakes again

A YEAR AGO, Clive Brittan and Lester Piggott teamed up to win Chester's Dee Stakes with that brilliant miler, Averof, and this time I am hopeful that Holcros will do the trick for them.

This attractive bay son of Habitat, who has six to beat in this 1-mile classic trial (345), has run well on both his outings this season. After an impressive winning re-appearance when cutting out all his own running in the Peleid Stakes at Doncaster, in which he defeated Lord Henham, Halicross nearly succeeded in following up in Thirsk's Yellow Pages classic three weeks ago. There, having been switched twice inside the final quarter-mile, Brittan's colt kept going well and closed the gap behind Royal Manacle and Corby.

Corby has not been out since that Thirsk race, but Royal Manacle paid a fine compliment to the form when taking fourth place in the 2,000 Guineas on Saturday.

If Halicross is to be beaten here, Barretstown will probably be the cause. Mr. Garfield Weston's stablemate to yesterday's impressive Sefton Stakes winner, Dazzling Light, ran strongly

to snatch third place from Everlasting in Sandown's classic trial stakes won by Consol 12 days ago. He has a good deal of improvement in him. However,

**CHESTER.**  
2.15—Dolphine Safari  
2.45—Salado\*  
3.15—Be Tuneful  
3.45—Halicross\*  
4.15—Alezan Dore  
4.45—Pierino

**SALISBURY.**

2.00—Company Sergeant  
3.00—Sound Jig\*  
4.00—Baldyamans

**CARLISLE.**

3.30—Prince Mount

4.00—Flyer

4.30—Cheeky

on this occasion I believe that the more experienced Halicross will just have his edge.

An hour before the Dee Stakes, it will be interesting to see if Salado, who caused such a shock when ploughing through the mud to land the John Porter Stakes at 33-1 last month, can prove there was no fluke about that success by following up in the Ormonde Stakes (245).

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## IN THE SUPREME COURT OF ONTARIO

**In the matter of  
IOS GROWTH FUND, LIMITED,  
also known as  
Transglobal Growth Fund, Limited  
NOTICE TO CREDITORS**

This Notice relates to creditors of IOS Growth Fund, Limited, also known as Transglobal Growth Fund, Limited and NOT shareholders or programholders.

TAKE NOTICE that on the 1st day of August, 1973 the Supreme Court of Ontario ordered that IOS Growth Fund, Limited, also known as Transglobal Growth Fund, Limited be wound up under the provisions of The Business Corporations Act of Ontario, being R.S.O. 1970, Chapter 53 and I was appointed Permanent Liquidator of the estate and effects of IOS Growth Fund, Limited for the purpose of winding up its affairs and distributing its property.

By the provisions of Section 236 of The Business Corporations Act and other Ontario statutes and by the Order of the Supreme Court of Ontario dated the 17th day of April, 1975, upon the expiration of two days after the mailing of this Notice to each known creditor and on the last day of publication of this Notice in the newspapers in the case of unknown creditors, each person claiming to be entitled to rank as a creditor on the estate of IOS Growth Fund, Limited shall be deemed to have received notice of the winding up of IOS Growth Fund, Limited and of my name and address as Liquidator.

It has been further ordered by the Supreme Court of Ontario that every person claiming to be entitled to rank on the estate of IOS Growth Fund, Limited as a creditor shall furnish to me on or before Monday, the 16th day of June, 1975 particulars of his claim proved by affidavit and such vouchers as the nature of the case admits. The affidavit should be sworn before a Notary Public and the seal of the Notary Public should be attached. For the convenience of claimants, I will send by prepaid registered post a proof of claim form with instructions as to how it is to be completed to each person who shall furnish to me a statement indicating an intention to file a claim against the estate of IOS Growth Fund, Limited and giving his name and address and who shall request that a proof of claim form be furnished to him. Neither the request for such proof of claim form by the claimant nor the furnishing thereof by me shall extend the time for filing satisfactory proofs of claim.

DATED at Toronto this 17th day of April, 1975.

John A. Orr,  
Permanent Liquidator of  
IOS Growth Fund, Limited,  
200 University Avenue,  
Toronto, Ontario, M5H 3C9,  
Canada.

## IN THE SUPREME COURT OF ONTARIO

**In the matter of  
THE FUND OF FUNDS, LIMITED  
NOTICE TO CREDITORS**

This Notice relates to creditors of The Fund of Funds, Limited and NOT shareholders or programholders.

TAKE NOTICE that on the 1st day of August, 1973 the Supreme Court of Ontario ordered that The Fund of Funds, Limited be wound up under the provisions of The Business Corporations Act of Ontario, being R.S.O. 1970, Chapter 53 and I was appointed Permanent Liquidator of the estate and effects of The Fund of Funds, Limited for the purpose of winding up its affairs and distributing its property.

By the provisions of Section 236 of The Business Corporations Act and other Ontario statutes and by the Order of the Supreme Court of Ontario dated the 17th day of April, 1975, upon the expiration of two days after the mailing of this Notice to each known creditor and on the last day of publication of this Notice in the newspapers in the case of unknown creditors, each person claiming to be entitled to rank as a creditor on the estate of The Fund of Funds, Limited shall be deemed to have received notice of the winding up of The Fund of Funds, Limited and of my name and address as Liquidator.

It has been further ordered by the Supreme Court of Ontario that every person claiming to be entitled to rank on the estate of The Fund of Funds, Limited as a creditor shall furnish to me on or before Monday, the 16th day of June, 1975 particulars of his claim proved by affidavit and such vouchers as the nature of the case admits. The affidavit should be sworn before a Notary Public and the seal of the Notary Public should be attached. For the convenience of claimants, I will send by prepaid registered post a proof of claim form with instructions as to how it is to be completed to each person who shall furnish to me a statement indicating an intention to file a claim against the estate of The Fund of Funds, Limited and giving his name and address and who shall request that a proof of claim form be furnished to him. Neither the request for such proof of claim form by the claimant nor the furnishing thereof by me shall extend the time for filing satisfactory proofs of claim.

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## WORLD TRADE NEWS

**Singapore shipyards  
achieve peak 1974  
turnover of £135m.**

BY OUR OWN CORRESPONDENT SINGAPORE, May 7.

SINGAPORE'S SHIPBUILDING being built in increasing numbers.

Although the outlook for the shipping industry was far from encouraging with more supertankers being laid up and increased frequency of cancellations of contracts for new tankers tonnage, Mr Chua was nevertheless confident of the local shipbuilding and repairing industry's ability to ride through the depressed period.

This was stated by Mr Chua Chor Teck, president of the Singapore Association of Shipbuilders and Repairers, which represents most of the yards and support equipment manufacturers in his annual report.

In 1974, Mr Chua noted, the structure of Singapore's shipyard industries underwent a significant change. While ship repairing continued to be the main forte, considerable headway had been made in shipbuilding, oil rig construction and associated marine equipment manufacture.

Ship repairing constituted 80 per cent. of 1974 turnover, but last year it represented only 60 per cent., with the other 40 per cent. equally shared between shipbuilding and oil rig construction activities.

Although declining in its share of total sales, the repair sector, however, recorded a significantly higher turnover of about \$843m. (£52m.).

Mr Chua stated that the slackening business in tanker servicing was somewhat compensated by the intensified energy exploration of South East Asia's vast offshore areas of more than 1m. square miles of potential oil reserves.

Singapore, with one-quarter of the world's order for offshore mobile drilling units in the books of its four major rig builders at the end of last year, was now the world's second largest builder of those units after the U.S. according to the American Bureau of Shipping.

Oil rig structures worth about \$520m. (£38m.) were built and delivered in 1974, while another 60 such rigs had been contracted to be built at Singapore in the next five years. They were expected to bring in about \$530m. (£36m.) worth of business each year.

In the shipbuilding sector, Mr. Chua revealed that orders for 600,000 d.w.t. tankers, valued at \$832m. (£59m.) had already been placed with a local shipbuilder, and the keel of the first vessel has been laid.

Smaller but sophisticated ant job of the fashion industry vessels of below 4,000 d.w.t. were

**German fashion  
being 'pirated'  
in Far East**

By Guy Hawtin

FRANKFURT, May 7. THE GERMAN fashion industry is complaining bitterly about unfair competition from manufacturers in the Far East. Not only are fashion goods being sold at dumping prices, they claim, but competitors from the Far East are pirating German designs.

Gesamttextil, the textile industry's trade association, states that pirated copies of German-designed clothes are being sold in West Germany before the original designers have had time to produce them.

This problem has held back prices for German manufacturers both at home and in important export markets. As a result, it is a threat not only to the financial well-being of the industry but also to jobs. German fashion concerns invest, on average, some 7 per cent. of their turnover in developing and designing their collections.

The struggle against this form of "economic criminality" was now becoming the most important job of the fashion industry association, said Gesamttextil.

**India plans higher steel exports**

BY OUR OWN CORRESPONDENT CALCUTTA, May 7.

THE Steel Authority of India, the holding company for steel and the allied input industries, has fixed an export target of 1m. tonnes of iron and steel for 1975-76. It includes 45,500 tonnes of pig iron. In 1974-75 India exported about 250,000 tonnes of iron and steel, of which a fair part was pig iron.

To realise the quadrupled target, the Steel Authority of India International, which is handling the export deals, has carried out market surveys in West Asia, Africa, South East Asia, and some Latin American countries.

It has already secured orders for 20,000 tonnes of billets from Iran and for some slabs and rails from Brazil and Argentina.

India plans to export 26.5m. tonnes of iron ore during 1975-76 and proposes to produce 43.5m. tonnes.

SUFFOLK SHEEP SOCIETY has a first order to ship 58 pedigree Suffolk sheep to India: 23 ewes and 35 lambs will be flown direct on a special Air India chartered flight. Ten more are being flown to Madrid for an agricultural exhibition, and will then be sold.

FOREST CITY ELECTRIC is supplying 293 generating sets made by Deutz, Ford, Dorman and Lister, worth in all £550,000, to Nigeria.



The 10,000-ton Fenghao, one of China's first long-haul cargo vessels completely built at Shanghai, sails from London today on the return leg of her maiden voyage. Mr. Chen, Kuan-chong, the assistant captain, said yesterday that every part of the ship "right down to the last screw" was made in China. Only the VHF equipment came from Japan.

The vessel is the fourth in its class built at Shanghai to serve the route between China and Europe. The Fenghao sailed at Singapore, Mombasa, Colombo and Dakar on the way to London, and will discharge cargo at Antwerp and Rotterdam before picking up goods at Hamburg for China.

The main commodity brought to London was tea, but the 600 tons also included textiles and porcelain, said Mr. Chen. When fully loaded, the Fenghao can carry 12,000 tons.

Facilities on board for the 54-man crew include a games room and a badminton court.

The Fenghao is not the biggest ship built in China—the Shanghai yard has produced a 25,000-ton vessel—but it reflects the growing Chinese determination to carry their own goods in their own ships, as well as an increasing emphasis on movements to Europe. There is no liner service between China and the U.K. at present, but British exports were sometimes delayed by up to three months because of chartering problems on the Chinese side.

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The Fenghao is not the biggest ship built in China—the Shanghai yard has produced a 25,000-ton vessel—but it reflects the growing Chinese determination to carry their own goods in their own ships, as well as an increasing emphasis on movements to Europe. There is no liner service between China and the U.K. at present, but British exports were sometimes delayed by up to three months because of chartering problems on the Chinese side.

The 10,000-ton Fenghao, one of China's first long-haul cargo vessels completely built at Shanghai, sails from London today on the return leg of her maiden voyage. Mr. Chen, Kuan-chong, the assistant captain, said yesterday that every part of the ship "right down to the last screw" was made in China. Only the VHF equipment came from Japan.

The vessel is the fourth in its class built at Shanghai to serve the route between China and Europe. The Fenghao sailed at Singapore, Mombasa, Colombo and Dakar on the way to London, and will discharge cargo at Antwerp and Rotterdam before picking up goods at Hamburg for China.

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## INDOCHINA

Communications between Saigon and the outside world were restored for a few hours yesterday for the first time since victorious North Vietnamese took over the southern capital last Wednesday. The Saigon correspondents of REUTER and UPI, who were allowed to file reports, describe life under the new regime.

## Life nearly back to normal as the new leaders appear

SAIGON, May 7. BOUT 20,000 people gathered yesterday at the Independence Palace to celebrate the surrender of South Vietnam one week ago and to mark the 21st anniversary of the university in the south.

There was no indication when national authorities would appear, but foreign correspondents were invited to a news conference tomorrow.

Along with the exception of those owned by Vietnamese who fled with the Americans, Saigon's streets were open and Saigon's streets bristled with activity.

The rally at Independence Palace, in which General Duong Van Minh handed over South Vietnam's unconditional surrender last Wednesday after only two days in office, was carefully planned.

Unlike the first small but spontaneous demonstrations which followed the fall of the city today's gathering brought in high school students as early as last night and workers and other groups throughout the

early morning.

The demonstration also coincided with the reopening of communications with the outside world after a week-long blackout, during which foreign newsmen were able to work normally and travel freely in and around Saigon but not able to send stories.

The week since the old regime capitulated is said to have been filled with contacts between the newly arrived authorities and local leaders, who generally are neutrals.

to create a Government of reconciliation to run along lines laid down by the 1973 Paris peace accords.

Reporters who travelled outside Saigon to My Tho and other places in the Mekong delta said they were well received everywhere and there was little sign of fighting.

The main post office was open for a few hours to-day

to let newsmen send despatches, which they were asked to write only in English or French and submit in duplicate.

The approximately 120 reporters from 13 countries still in Saigon have worked together normally and moved about without hindrance. Technical reasons were cited to explain why stories could not be filed.

Saigon time has been put back one hour to conform with Hanoi time, a change which has led to endless confusion.

Reporters who travelled outside Saigon to My Tho and other places in the Mekong delta said they were well received everywhere and there was little sign of fighting.

The Communists have apparently told troops of the old regime they could return to their homes if they abandoned their uniforms. So far no reporter here, in prowl round the city, has found any evidence that prisoners are

day at the pool being served excellent Beaujolais wine at a splendid lunch prepared by the local consular staff.

But they are not without grim reminders of the war which raged here just days ago.

A memorial service was being organised at the French military hospital for Gamma agency photographer Michel Laurent, who was killed last month and whose body was brought to Saigon by a French television crew this week.

Laurent's companion, Christian Hoche of the Paris daily *Le Figaro*, who was wounded in the same foray, underwent an operation in hospital on Monday. He was said to be in good condition.

There are far fewer cars on the streets due to a petrol shortage, which has produced a thriving black market.

The average Saigon resident seems to believe that life will remain essentially unchanged under the Communists. For their part, the new rulers are not living in a fashion which would make a fashion think otherwise.

Several Americans who missed the frenzied helicopter evacuation have surfaced. They profess to be worried about their future, though they do not hesitate to spend most of the day on the terrace of the Continental Hotel—sometimes drinking and joking with Communist officers.

Reuter

## Civil strife in Laos as Communists gain

VIENTIANE, May 7.

CIVIL STRIFE has broken out in southern Laos as pro-Communist Pathet Lao forces consolidate their gains in the North against Rightist troops, military sources said to-day.

The sources said 2,000 students and workers in the Mekong river town of Pakse took to the streets yesterday and seized the Town Governor, his two assistants and two local provincial governors.

They were protesting against the high cost of living and officials alleged to have stockpiled rice for selling at exorbitant prices.

Earlier to-day, military sources said the Pathet Lao last night moved without resistance into the town of Kasy, 80 miles north of the capital, following repeated clashes between the two factions of the coalition Government at a strategic road junction just 13 miles north of the town.

Fighting broke out at the Sa Phou Khouane road junction north of Kasy on April 14, and since then both sides have ignored a ceasefire order from the Government, in which the Pathet Lao and Rightist side were equally represented.

Reuter

## U.S. aircraft recovered

WASHINGTON, May 7.

The Defense Department confirmed to-day it had recovered most of the more valuable planes down to Thailand by flying South Vietnamese pilots.

Recovery of the aircraft was suspended yesterday at Thailand's request. The new Communist Government in Saigon has demanded that the planes be returned to South Vietnam. Reuter

## Elections move likely to legitimise takeover

BY PAUL ELMAN

AN ANNOUNCEMENT concerning elections in South Vietnam will be made shortly by the country's new rulers. This was stated in London yesterday by Mrs. Phan Thanh, an adviser to Mrs. Nguyen Thi Binh, Foreign Minister in the South Vietnamese Revolutionary Government. Mrs. Minh told a press conference on her arrival that "it seems quite natural to us that

as soon as order and security have been established in the country, procedures will be worked out for elections."

Mrs. Minh's remarks provided the clearest indication so far that the Communists will seek to legitimise politically what they have gained militarily.

Nevertheless, foreign observers believe that voters may well be called to elect a National Council of Reconcilia-

tion and Concord, as provided for by the 1973 Paris peace agreements.

An electoral mandate would also enable the Revolutionary Government to proceed towards its ultimate goal, the reunification of Vietnam, without laying itself open to charges of bringing this about by decree in violation of the Paris accords.

Britain, as one of the signa-

## UN APPROVES AID RESOLUTION

By Our Own Correspondent

UNITED NATIONS, May 7. A resolution calling on all States to help "the peoples of Indo China" was approved without dissent today in the UN Economic and Social Council.

But the U.S. delegate, Mr. Clyde Ferguson, said Washington did not support the idea of providing American aid to rebuild North Vietnam's infrastructure.

## OTHER OVERSEAS NEWS

### ETENTE IN AFRICA

## Vorster forecasts open diplomacy

CAPE TOWN, May 7.

FOUR SOUTH Africa may be entering a period of more overt diplomacy in Africa. Prime Minister John Vorster said in an interview published here to-day.

"South Africa sometimes has made contacts under the table which later have emerged in the open," he told political correspondents of the Argus group of newspapers. In the future, "more and more contacts will appear above the table," he added.

Mr. Vorster took stock of events at the expiry of his own six-month deadline for change in South Africa's international standing. He repeated that the South Africa has, beyond a shadow of a doubt, proved its integrity in trying to achieve peace in Southern Africa and its integrity stands beyond question at the moment.

Mr. Vorster, whose interview was published in the Cape Argus, the Johannesburg Star and other newspapers, said he believed South Africa had "built certain bridges."

Later in the interview, he said: "One cannot always expect the appetites of a thing to be dramatic. But I number of African countries to now have a closer look at South Africa—in every sense of the word."

"I can honestly say I have ever worked so hard in my life to make things better in the past year, and I don't expect it to become easier," he said. The Prime Minister said: "The cheapest and the best market."

## ANC to meet Smith

BY TONY HAWKINS

R. ELLIOTT Gabbelan, deputy resident of the African National Congress, said there would be no meeting with Mr. Smith until Bishop Desmond Tutu, leader of the ANC, is to lead a delegation to meet Rhodesian Prime Minister Ian Smith soon to restate the ANC's terms for reopening the settlement dialogue. This was announced to-day by the Secretary General of the ANC, Dr. S. D. Chavunduka. Earlier, Dr. Chavunduka had to meet Mr. Smith.

## First ships leave canal

BY OUR OWN CORRESPONDENT GREAT BARRIER LAKE, May 7.

THE CHAIRMAN of the Suez Canal Authority Mr. Mashour al-Sayed, said yesterday that the canal is now the busiest waterway in the world. Mr. Mashour was speaking to a gathering of reporters who are on hand on the bank of the Great Barrier Lake to watch the departure of the first two ships on June 14, trapped there since the Arab-Israeli war of June 67.

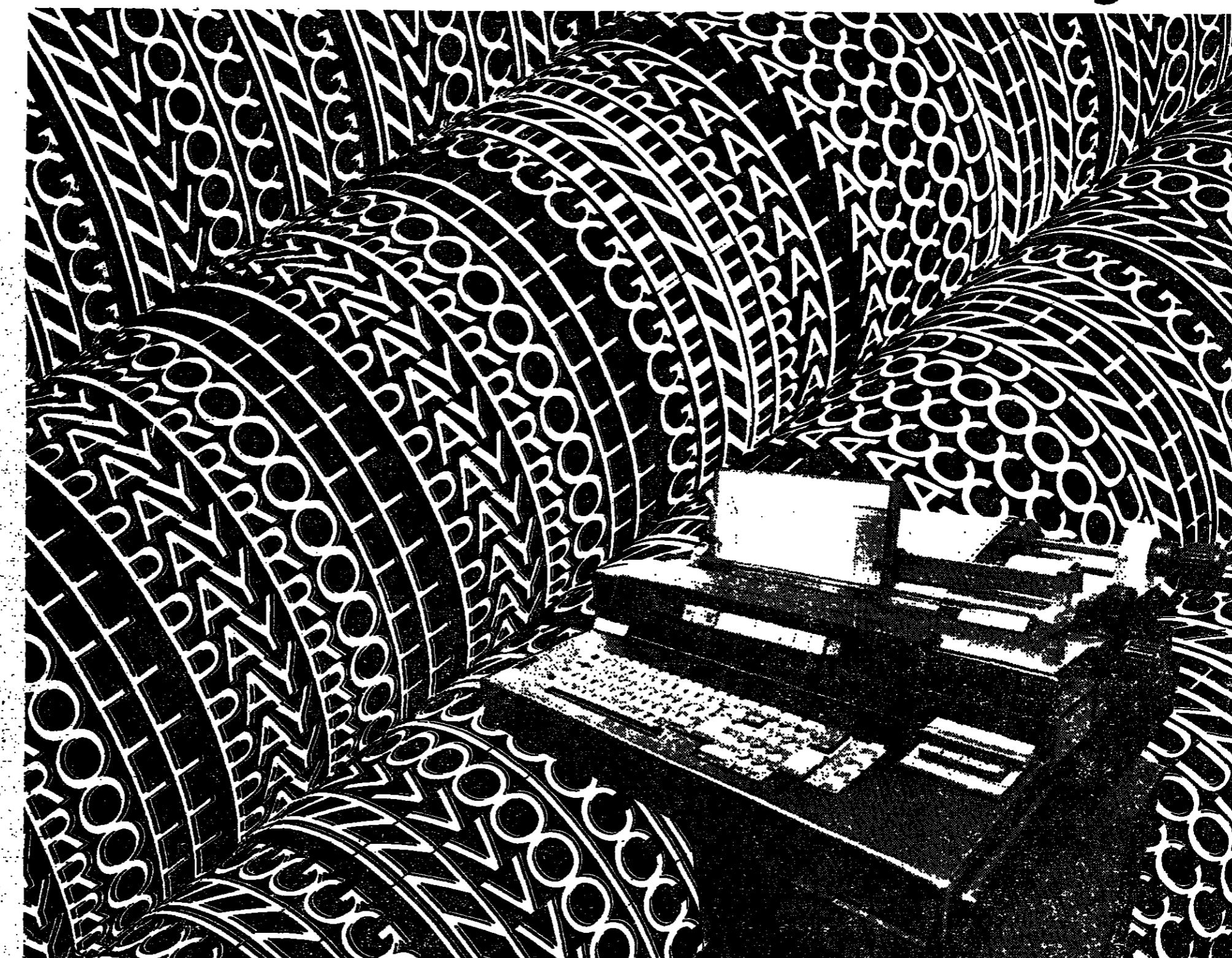
The first to leave, amidst a chorus of sirens, was the West German freighter *Minsterland*. It will use the canal.

## Lebanese Cabinet crisis

BEIRUT, May 7.

MINISTERS resigned from between Falangists and Pales-

## The new Olivetti A5 electronic accounting machine keeps you ahead of change



### It'll be much more expensive without one

As the small to medium size business changes, so do the problems of running it. Paperwork becomes not only greater in volume, but more complex.

So news about an accounting system that copes admirably with the problems of both small and medium size businesses and keeps pace with their ever changing needs should be more than welcome.

It's called the Olivetti A5 electronic accounting system.

Modular, you simply add to the basic unit as your needs dictate, from a comprehensive range of hardware peripherals and the kind of software you'd expect from an acknowledged world leader in information processing.

Your payroll could be anything from around fifty to two hundred employees. Or you could be posting and processing anything up to 2,000 invoices a month.

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## HOME NEWS

# Renton report calls for clarity of legislation

BY A. H. HERMANN

**TITLE REPORT** of the Renton Committee on the Preparation of Legislation, Master of the Rolls, published yesterday. The draftsmen of our statutes—first report of its kind in 100 years—comes down firmly in favour of the principle that when drafting legislation the convenience of the user should come first.

The committee found that the Government's anxiety to push an ever-increasing volume of legislation through Parliament, the inclination of MPs to press for too much detail in Bills, as well as the suspicion harboured by both Government and Parliament that judges cannot be trusted to give proper effect to statements of principles have combined to make statutes obscure and complex, over-elaborate in detail and illogical in structure—in short most unhelpful to the reader.

A series of improvements, some fundamental and others of a technical nature, is recommended. If adopted, these should do away with some of the mystique in which English law is veiled to the great benefit of the citizen and of the business community. The Committee recommend the publishing of more Green or White Papers in advance of legislation and that lengthy and complex Bills should be explained in an accompanying White Paper.

But it does not go the whole way with the Law Commission's recommendations that such material had before Parliament in the course of the legislative process should be used by courts as an aid in interpreting the statutes. One of the most important recommendations likely to bring the UK closer to legislative standards of parliamentary Europe is in favour of expressing the law in general principles.

## Statement of aims

The judges, following suit, give the statutes a literal interpretation and, concludes Lord Denning, "if the words of the statute do not cover a new situation—which was not foreseen by the judges hold that they have power to do what they have done."

The Committee recommends that the use of statements of aims and principles in statutes should be encouraged and detailed guidance where required should be removed to schedules. Provisions liable to be frequently modified should be included in statutory instruments, making changes easier and, at the same time, achieving a greater durability of the main statute.

The hallowed traditions of drafting have survived much criticism in the past and the Committee appears to be fully conscious of the impossibility of bringing about a change by a resolution alone. It recommends giving high priority to the recruitment and training of more draftsmen and to the setting up of a course in legislative drafting.

Lawyers should be recruited for work on consolidation of the statutes, for replacing subsequent amendments by a single

lative tradition of which the committee itself fought shy. It concluded that the scope for simplifying fiscal legislation is limited, particularly only for basic provisions affecting the taxpayer to be drafted in relatively simple terms.

The committee has made various recommendations about the use of computers in the preparation of legislation, starting with their use as a mechanical aid to drafting. Visual display facilities, familiar from air booking offices, were found to be an extremely effective way of doing what draftsmen have always done with a pencil and rubber.

Computer-assisted typesetting would give greater speed and accuracy in the printing of Bills at all stages. After their enactment computers could be used as a data bank for quick retrieval of comprehensive information on the state of the statute law. Other recommendations concern the passage of parallel Bill for Scotland, time allowed, between the Committee of the House of Commons and the House of Lords.

The Committee's report, "The Preparation of Legislation," cost £2,455. It is available from the Lord President of the Council, Cmnd. 6053.

**BY MOBILISING** nearly £500m. of cash subscriptions to companies' rights issues of new shares in the past two and a half months, the stock market has undoubtedly set a record for basic provisions affecting the tax-raising activity.

The prolonged slowdown, on the one hand, left companies temporarily heavily reliant on the banks to finance their capital needs—with a deep hunger for new equity capital and, on the other hand, resulting in the City's big institutional investors piling up cash for future long-term deployment.

Just how unusual last year's trends were is underlined by the fact that the year's new share issues were only £130m., of which over half—£82m.—was accounted for by the rights issue of the Canadian Union Assurance, on terms so expensive as to give a dividend yield of some 17 per cent. at the offer price (more recent issues have been at as low as some 7 per cent.).

On the other face of the instrument coin, insurance companies, the most prominent institutional buyers purchased no more than £76m. net of ordinary shares existing or new, in the first nine months of 1974.

Against this background, it is hardly surprising that the strong revival in the share market from its low in January 1975, and the improved confidence of investors in the Government's attitude to companies' needs, has stimulated forward in force to subscribe for new shares through rights issues.

Essentially, the explanation is share buying. Not only have new issue activity of this kind been brought near to a halt from the January nadir—the Financial Times Index was 322.9 last year against the background of the stock market's sharpest

collapse, set at 146.0 then—

ever collapse to its lowest for 20 years.

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pose that the stock market prices of existing shares would have risen more sharply.

Starting with a mere £19m. in February, the rights issue of the stock market's sharpest

collapse, set at 146.0 then—

ever collapse to its lowest for 20 years.

The procession of these cash issues has not gone ahead without throwing up some problems. At times, certain institutions, particularly some Scottish ones in particular, have been considered at the moment to which the issues were being absorbed through sales, above the offer price.

This worry has been particularly felt where institutions were acting as underwriters to assure the success of issues, besides frequently subscribing themselves in the role of shareholders. When doubts about the continued strength of the stock market have prevailed, specially ahead of the Budget, there were certain doubts about shouldering more commitments.

At present, the City is regulating itself on its re-emergence in the role of the rights issue, as a means of raising cash for industry, although, though sub-underwriting has been refused in a rather larger number of cases than normally.

Experts closely in touch with

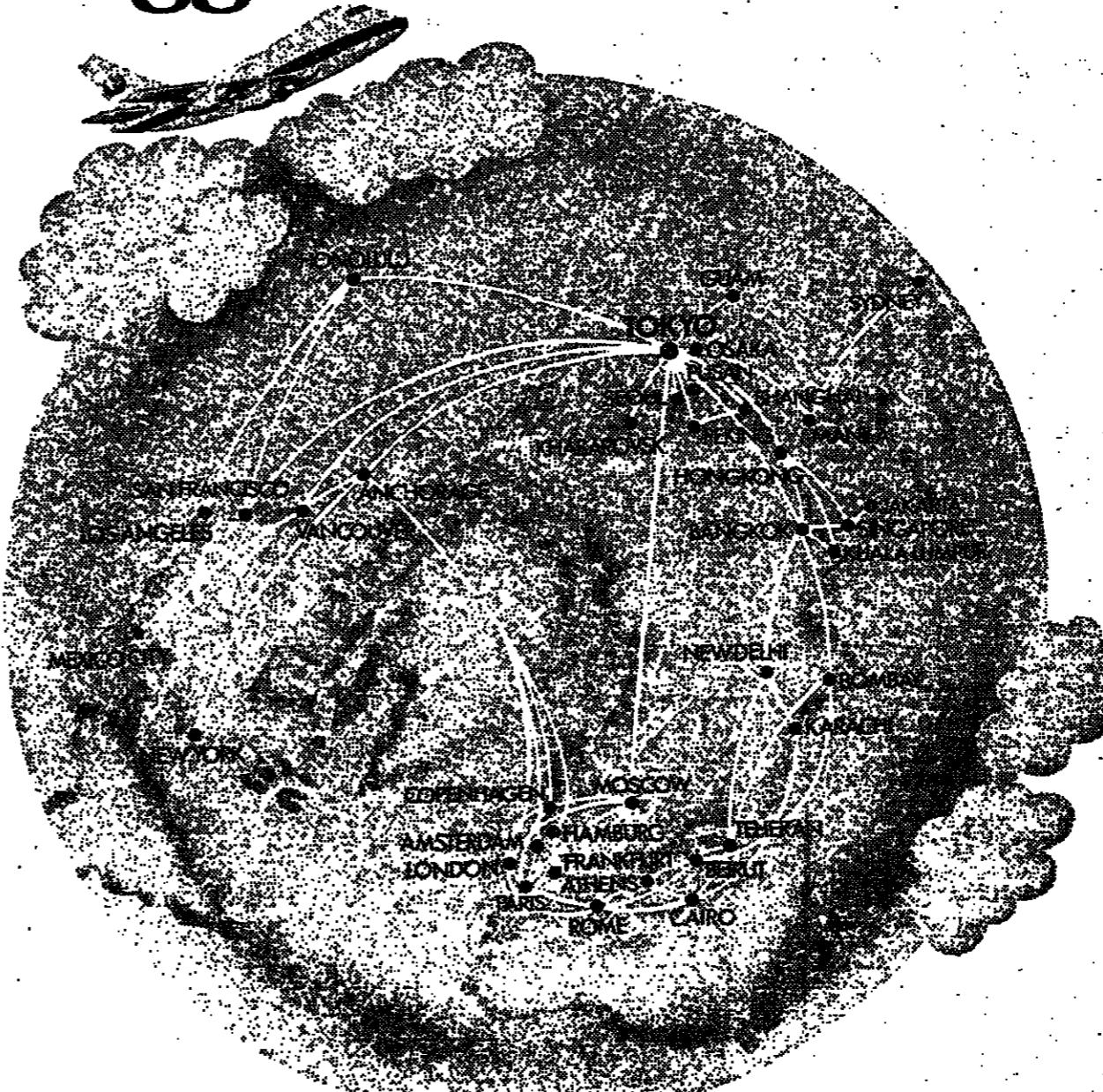
## LARGER RIGHTS ISSUES SINCE FEB. 21 1975

Company	Amount raised £m.	Date
Rank Hovis McD.	16.0	Feb. 21
Midland Bank	52.0	Feb. 21
BP	5.8	Feb. 21
Standard	15.0	Feb. 21
Canadian Ry. Exch. Am.	6.8	Feb. 21
Unilever	21.5	Mar. 1
Cost. Gold Fields	21.0	Mar. 1
Titan Investments	13.9	Mar. 2
St. George Estates (Conv.)	2.4	Mar. 2
Morgan Crucible	5.0	Mar. 2
Delta Metal	5.3	Mar. 2
Delta Alliances Inc.	7.5	Mar. 2
Rank Organisation (Offer for sale)	2.0	Mar. 11
Cost. Gold Fields	18.3	Mar. 12
Cadbury Schweppes	25.0	Mar. 12
Farmer	16.4	Mar. 12
Prudential Ass.	46.0	Mar. 12

## Collapse

Reasons for the rapid and successful flow of rights issues—by which companies replenish their long-term capital by asking their own shareholders to put up new cash for shares at favourable prices—are not hard to identify

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But then it could be we're No. 4 because to us you're always

Number One.

## Courtaulds' mill closure deferred

BY OUR MANCHESTER CORRESPONDENT

A CAMPAIGN to save 350 jobs of cheap imports which are at the Courtaulds Empress spinning mill, Inc., near Wigan. While the union delegates met which was to close in the first Courtaulds' management led by week in July, succeeded yesterday. Dr. Norman Waddington, the day when the owners agreed to the shutdown pending the spinning division's head-quarters in Manchester: more Government action on curbing imports of cheap yarns.

The decision followed a meeting with textile union leaders led by Mr. Michael McGuire, and placards, one of which declared: "Politicians spin their yarns—let us weave ours."

**Pye warning** A joint statement issued after the meeting said: "It was agreed, in anticipation of the Government taking the necessary action to help the textile industry, that the proposed closure of the Empress Mill be further deferred. Courtaulds have agreed to this in spite of lack of action by the Government since March 5 on the question of textile imports."

Mr. McGuire said afterwards: "I am pleased that we have been able to stave off the closure, but we are under no illusions. To keep it open, certainly in the long term, will require action from the Government to curb cheap textile imports. It is our job now to persuade them to take that action."

Mr. Fred Hazle, joint general secretary of the Amalgamated Textile Workers' Union, said: "I am hopeful that the management will be able to keep the factory open for a long, long time. There is a tremendous amount of goodwill at Courtaulds—but the company have been forced into this position by the state of trade and the high level of industry."

## Duke opens orthopaedic centre at Stanmore

BY DR. DAVID CARRICK

A CENTRE for the convalescence and rehabilitation of orthopaedic patients was opened by the Duke of Gloucester at Stanmore yesterday.

The Centre attached to the Royal National Orthopaedic Hospital, Stanmore (the country section of the RNOH of Gt. Portland Street, London) is designed to hasten the convalescence and rehabilitation of patients who have been treated for orthopaedic conditions and has more of a constructive holiday-camp atmosphere than a clinical feel about it.

Covering an area of 9,500 square feet, the complex contains every reasonable facility for leisure and rehabilitation

for patients of all ages. A swimming pool (50 feet by 24 feet) is provided, both for pleasure and essential rehabilitation purposes.

The centre cost £300,000 to build and equip, the money being raised by the Friends of the RNOH from many sources, including companies, trusts and individuals.

The running and maintenance of the scheme will continue to be paid for by private enterprise, according to the chairman of the RNOH, Mr. A. Macmillan, who emphasised the great importance of the continued support by industry and private individuals so that the enterprise may flourish.

## Political judgment 'still vital over regions'

FINANCIAL TIMES REPORTER

POLITICAL JUDGMENT will continue to play an important part in decisions about regional policy, the Government declares in a report, published yesterday.

Presenting its observations on the second report of the Expenditure Committee of 1973-74 into regional development incentives, the Government draws attention to the difficulty of quantifying the effectiveness of such policies.

"In contrast, the political interest in regional policy is strong and clear, particularly in areas. Cmnd. 6058: SO 20p.

the disadvantaged regions, as the Committee acknowledged," the Government notes.

Endorsing the need for continued incentives, the report says that certain existing industrial planning agreements will be given a higher degree of assurance.

The Government also expresses its intention of developing the use of powers of selective assistance in the new industry Bill.

## NEWS ANALYSIS—SHARES

# Joining the big rights queue

BY MARGARET REDD

BY MOBILISING nearly £500m. of cash subscriptions to companies' rights issues of new shares in the past two and a half months, the stock market has undoubtedly set a record for basic provisions affecting the tax-raising activity.

The prolonged slowdown, on the one hand, left companies temporarily heavily reliant on the banks to finance their capital needs—with a deep hunger for new equity capital and, on the other hand, resulting in the City's big institutional investors piling up cash for future long-term deployment.

Just how unusual last year's trends were is underlined by the fact that the year's new share issues were only £130m., of which over half—£82m.—was accounted for by the rights issue of the Canadian Union Assurance, on terms so expensive as to give a dividend yield of some 17 per cent. at the offer price (more recent issues have been at as low as some 7 per cent.).

On the other face of the instrument coin, insurance companies, the most prominent institutional buyers purchased no more than £76m. net of ordinary shares existing or new, in the first nine months of 1974.

Against this background, it is hardly surprising that the strong revival in the share market from its low in January 1975, and the improved confidence of investors in the Government's attitude to companies' needs, has stimulated

issue arrangements were included to forecast last night that pace of the flow would tend to ease over the coming months.

Starting with a mere £19m. in February, the rights issue of the stock market's sharpest

collapse, set at 146.0 then—

ever collapse to its lowest for 20 years.

The procession of these cash issues has not gone ahead without throwing up some problems.

At times, certain institutions, particularly some Scottish ones in particular, have been considered at the moment to which the issues were being absorbed through sales, above the offer price.

Marshalling of the issues to spread out the demand for the market is in the hands of the Bank of England and brokers: Murells as the Government Broker. By allowing well in advance, and adjusting the pace of the queue's progress to market conditions, authorities have contributed to the smooth running of the operations, as has the withdrawal of a few who issued thought unlikely.

At present, the City is

regulating itself on its re-emergence in the role of the rights issue, as a means of

raising cash for industry, although, though sub-underwriting has been refused in a rather larger number of cases than normally.

Experts closely in touch with

José in 1975



## HOME NEWS

## Industry praised for North Sea role

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITISH INDUSTRY has had contractors engaged on North Sea to do." A new platform sites to be separated from the Department of Industry's Ship and Marine Technology Requirements Board, it goes part-way towards the committee's recommendation. A new Offshore Energy Technology Board was announced earlier this week under the aegis of the Department of Energy. It is to control part of the funds of the SMTB, and to have cross-membership to minimise conflicts of interest.

But the White Paper adds that the Government shares the development of the platform construction sites that are being taken into public ownership.

The two biggest offshore oil platforms ever built, claims the Select Committee, have not been attractive even with offers of Government cash to move into some of the specialist offshore activities such as pipelaying and offshore installation. They are risky areas where the competition is strongly entrenched, it says.

The Government's reply is to a report from the Select Committee on Science and Technology, on offshore engineering, published last November. It also rejects the MP's suggestion that the Government has insufficiently explained its offshore objectives.

According to Government estimates, around 40,000 jobs have been created in Scotland as a result of oil-related development, with another 6,700 employed in North-West England by major under-financed for the job it has

minimised conflicts of interest. The UK has won 13 of the 19 orders placed so far for oil production platforms for its own sector of the North Sea.

In the second half of 1974, more than 150 platform modules were on order or being built in Britain, together with "important orders" for drill ships, for underwater working and for the range of generating and process equipment needed on the platforms.

Finance, it states, has not been a limiting factor in the development of the Offshore Supplies Office, which the committee alleged would be "too small and turns down a suggestion that marine tech-

SO. 28p.

ology should be separated from the Department of Industry's Ship and Marine Technology Requirements Board, it goes part-way towards the committee's recommendation. A new Offshore Energy Technology Board was announced earlier this week under the aegis of the Department of Energy. It is to control part of the funds of the SMTB, and to have cross-membership to minimise conflicts of interest.

Union Oil yesterday confirmed it was withdrawing from the project to link its Heather Field to the pipeline connecting the Ninian Field and the Shetlands, as indicated by Burman Oil on Tuesday. However, Union said it had no plans to discontinue development of the Heather Field.

Select Committee on Science and Technology, Government observations on report on Offshore Engineering. Cmnd. 6090.

## Balogh defends State role

By Ray Dafta

A CHALLENGE to oil company chairmen, and an indirect tilt at Sir Eric Drake, head of British Petroleum, was made yesterday by Lord Balogh, Minister of State for Energy.

A few companies, he said, had been less than forthcoming in their readiness to consider the "legitimate intentions" and aspirations of the Government seeking State participation in the North Sea. This reluctance, he added, was somewhat surprising in view of their antecedents.

These remarks, made at the annual lunch of the British Construction Equipment Manufacturers Association in London, might be taken as an unspecific rebuke to Sir Eric, who said shareholders last week that BP had not accepted the principle of participation. This assurance was in apparent contradiction to an earlier Commons statement by Mr. Eric Varley, the Energy Secretary, that the company had agreed to enter discussions with a view to agreeing terms for majority State participation.

Lord Balogh stressed yesterday that "the British people are the real stockholders in the North Sea oil. We intend to underwrite that stockholding so that they become 51 per cent. legal stockholders in the oil already discovered." This would safeguard the strategic and monetary value of oil, he said.

## NATO conference on oil rig defence

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

NATO COUNTRIES with North Sea oil interests are to hold a conference in The Hague on June 5 to discuss the common problem of the defence of these installations.

This was agreed at yesterday's London meeting of the NATO Eurogroup—the group of Defence Ministers charged with increasing ways of increasing collaboration on defence procurement and other matters within the Alliance—which also resulted in two other positive developments:

1—Agreement to press the U.S. for a much greater "two-way traffic" in defence procurement, with the U.S. buying more from Europe;

2—Signature of a new agreement on greater collaboration in logistics support, the first example of which is a pact between the U.K. and Holland (in which Belgium may also join) for provision of Rolls-Royce Tyne and Olympus marine gas-turbine engines in Dutch and Belgian warships.

The Eurogroup meeting was under the chairmanship of Mr. Roy Mason, U.K. Secretary of State for Defence. It was sunk in the U.K. sector of the North Sea in the 10 years up to March last year, according to a Government report published yesterday, beyond that the U.K., West Germany, Holland and Norway would be the principal SO. 45p.

## Wells now total 545

SO. 45p.

## New Texaco strike in same block

By Ray Dafta

TEXACO North Sea has confirmed the extension of its oil find in block 15/16, some 115 miles north-east of Aberdeen.

The aim will be to discuss the broad questions of defending these installations, which are growing in number, and determining whether the task should be allocated to NATO or kept as an individual national responsibility in each case, as present.

The new memorandum of understanding between the British and Dutch on the provision of gas-turbine engines in Dutch warships is also not yet spelled out in detail, but it is expected to provide for the common use by the warships of both navies of Tyne and Olympus engines, with a common pool of spares and other support equipment.

Texaco said that information on the reservoir characteristics and configuration of the oil accumulation would help in evaluating the reserve potential of the field. No other details were given.

There has been oil industry speculation that the find in block 15/16 is connected with Texaco's adjacent block 14/20, to the west.

The rig, Zephyr One, which drilled the sidetrack appraisal well, is now being moved to block 14/20. Oil shows there have been described as encouraging, possibly extending into Shell/Esso's adjoining acreage.

Possible recoverable reserves of several hundred million barrels "or more" have been reported, which makes it ideally placed for shipment via the Piper pipeline to Flotta in the Orkneys.

## Ferranti unions want major stake for State

By Nicholas Leslie

UNIONS INVOLVED in talks to rescue Ferranti, the electronics group which rates as liquidity problems last year made it clear to the Select Committee on Science and Technology that the sub-set committee's opinion that sub-set compilation could have an increasingly important role in deeper waters.

It is operating on two fronts, it says. The Energy Department and BP through the Department of Industry, have commissioned an appraisal of a range of novel production systems, including sea bed completion systems. And some British companies, including Bt (through its stake in the SEAL consortium) are already involved in sub-sea systems.

Nonetheless, it agrees that "more involvement by industry could be advantageous" and states that the OSO attaches high priority to sub-sea systems.

Although the Government

has insufficiently explained its development of the Heather Field.

The Minister was chairman at the third tripartite meeting of management, unions and Government representatives to discuss the future of the group, which is currently controlled by Basil Sebastian and Mr. Basil de Ferranti.

Sir Don Ryder, the Government's Industrial Adviser, called in to help formulate support proposals, reported to the meeting only in general terms on the present state of negotiations. He did not indicate what level of finance would be given or the size of Government shareholding planned.

## Optimistic

It is likely, however, that the unions' wish for Government control will be realised, although the level is likely to be nearer 50 per cent. rather than the 75 per cent. mooted at one time. Up to £1m.

Sir Don apparently has hopes of agreeing to support proposals by Friday, but this may prove to be optimistic. Proposals may, however, be announced next week.

This would leave the problems surrounding the Ferranti power division still to be resolved. Proposals for its future are being discussed in tandem with talks on the whole group, but it appears that Mr. Wedgwood Benn assured the unions yesterday that the power division would not be hived off from the Ferranti group.

A statement after yesterday's meeting said it was stressed that the uncertainty should be cleared as quickly as possible on the basis of negotiations now going on between the company and the Government. It was also agreed that management/union working parties should have a continuing role in the development of Ferranti's future.

It was decided that there should be another tripartite meeting, although no specific date was set.

## IN BRIEF

## Christina talks

Mrs. Christina Onassis continued business discussions in London yesterday when she met oil company executives and bankers.

During discussions with Sir Frank McFadzean, chairman of Shell, Miss Onassis referred to the oil chartering business and SCL's relationships with the Onassis shipping empire. She is expected to leave this morning for the U.S. to visit the shipping business's New York office.

## Animal test plea

A petition calling for an end to research experiments on live animals—like the controversial "Smoking Beagles"—tests—was handed in at the House of Commons yesterday.

The nationwide petition to Education and Science Secretary Mr. Reg Prentice, was presented by officials of the National Anti-Vivisection Society. It was signed by 150,000.

## Liberal build-up

The Liberal Party has started to build a full-time research and administration organisation following the Government's decision to give financial help to opposition parties.

The Liberals announced yesterday that they had appointed Mr. Alastair Michie as Parliamentary Director.

## Fire costs rise

A call for an increase in fire protection measures to match the growing size and scale of individual industrial enterprises came yesterday from Mr. J. A. C. Greenwood, chairman of the Fire Protection Association.

## Rule book need

A big trawler company wants an official rule book for skippers. A Trade Department inquiry was told yesterday.

It would help skippers in simplifying the mass of written instructions they were supposed to observe, according to the John Wood Group (Aberdeen). The company was manager of the 23-ton trawler Dalewood which ran aground on rocks at Dunnet Head in the Pentland Firth, in March last year.

## Ships to retire

Union Castle-Safmarine are to withdraw the Orange and Edinburgh Castle from the South Africa mail service. Both will probably be scrapped.

## Icebreaker

Tate and Lyle's shipbuilding subsidiary Richards (Shipbuilders) of Lowestoft has launched the third £700,000 ice-breaking tug ordered by the Gothenburg Towage and Salvage Company of Sweden.

## Obituary

Sir William Carrington, senior partner in Whinney Murray and Co. where he retired and president of the Institute of Chartered Accountants in England and Wales from 1955-56, died at his home in Penzance yesterday, aged 71.

## IATA airlines to adopt SDR as basis for fare levels

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIRLINE MEMBERS of the International Air Transport Association have agreed in principle to adopt the International Monetary Fund's Special Drawing Rights (SDRs) as the basis for calculating levels of world air fares, in place of the dollar and sterling which have been used at the prevailing exchange rates against SDRs.

The airlines' plan is subject to the approval of governments, which it is hoped will be obtained by September. Final approvals—and a report on progress—will be put to the IATA airlines will, over the next two years, convert current sterling and dollar air fares into terms of SDR units. When this is done, it will be possible to convert those basic prices into national selling prices in the currencies of the 100-plus air-

lines involved at the prevailing exchange rates against SDRs.

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## HOME NEWS

JULY 1975

## Sherry sales come down as more ask for vermouth

BY KENNETH GOODING

**E**AT BATTLE between vermouth and Spanish sherry for a major was that the Spanish producers of the U.K. drinks market pushed up their prices too far and too fast. In 18 months the producers added 213 per cent to their asking price. This meant that in the U.K. the price gap between vermouth and Spanish sherry widened considerably. At the same time, the Cadbury vermouth offshoot, Courtemay, believes the U.K. market is vermouths will jump by 25 per cent this year, introducing yet another brand, Dry Dubonnet, to the wing number available.

In this context, the move by Harveys is extremely significant. Last year, sales of Spanish sherry in Britain slipped by 12 per cent, while those of vermouths soared by 45 per cent, so that they now sell roughly 10m. gallons each.

## Sharp rise likely in London fares

BY ARTHUR SMITH

**N**ONDON TRANSPORT bus and tube fares are likely to go up by around 25 per cent in the year, followed by another increase in June or July next year.

This was regarded at County Hall last night as the most likely to be made by the London Council who today in a consider whether fares should be raised in order to prevent too heavy a burden falling on next year's demands.

While the £93m. deficit which London Transport is expected to face this year is already covered, the problem will arrive in 1976-77 when the Government expected to cut its £53m. subsidy through the Transport Supplementary Grant. The subsidy in the current financial year from ratepayers consists of 1.5p rate to cover last year's deficit and a 2p rate to fund this year's shortfall.

Though bus and tube fares are raised by around 35 per cent only in March this year, property

## Carpet industry welcomes change in HP rules

**C**HE CARPET industry is hoping for a boost in trade as a result of a relaxation in hire purchase restrictions which has now come into force.

Following more than a year of lobbying by manufacturers and retailers, the Government has introduced the down-payment on hire purchase coverings from 33 per cent to 20 per cent, with effect from April 1, bringing carpets into line with the regulations covering furniture.

The add-on provision which applies to furniture has also been extended to carpets. It enables consumers to make fur-

## Appeal to Luxembourg

BY DAVID CURRY

**B**RITISH textiles concern has appealed to the High Court Justice in Luxembourg against a ruling in the English High Court permitting a French competitor to continue self-knitting wools in the U.K. The ruling followed a decision by the Commission in Brussels that a market-share agreement between the two companies was in violation of the competition policies of the Common Market.

The agreement was signed in 1964 between the Wakefield concern Sirdar, which marketed its knitting wools under the Sirdar label, and the French group Les Filles de Louis Mallez.

## OME CONTRACTS

### Leonard Fairclough Group's £35m. orders

Three contracts worth more than £35m. were announced yesterday by the LEONARD FAIRCLOUGH GROUP, which now has £100m. in hand worth more than £100m., according to its chairman, Oswald Davies.

The main contract won by the engineering division of Sir Lindsay Johnson is for the National Coal Board opencast executive, worth more than £15m.

This represents a major increase in the operations undertaken by the division, which is currently responsible for an annual production of 1m. tonnes of coal.

Other contracts were for work in the Middle East and for a civil engineering project in the U.K. worth more than £100m.

Contracts totalling £2,787,000 have been awarded by the NATIONAL COAL BOARD for insulated mains cables and other mains cables to AEC Cables, based in Wrexham, Tipton, Parkinson Derby, Delta Cables, Brimsdown, Illesley, and Pirelli General Cables, Eastleigh, Southampton.

NCB has also placed orders, worth £430,000 for dust respirators with Martindale Protection, Siebe Gorman, and Chessington, Surrey, and Land and Birmingham Rubber Company, Preston, Lancs.

ALFRED MCALPIN AND SONS (SOUTHERN) LTD, of Colyton, has started work on a

## Property men meet advisory group

BY JOHN TRAFFORD, PROPERTY EDITOR

**P**ROPS OF a slowdown in property development and a rise in property have been expressed to the Government's advisory group on commercial property, headed by Sir Dennis Pilcher.

Yesterday, a six-man delegation from the British Property Federation headed by Mr. Victor Lucas, the president, met Sir Dennis and members of his advisory group to expand on views they had expressed in a document sent to him on April 30. At the same time, the Incorporated Society of Valuers and Auctioneers published the views they had expressed in writing and in person to the group.

IT IS STILL national policy to expand the number of students in higher education by a third to a total of about 640,000 by 1981, Mr. Reg Prentice, Secretary for Education and Science, said yesterday. He was giving evidence to the science sub-committee of the Commons select committee on science and technology.

The ISVA says that local authorities should be prepared to offer at least 99 and preferably 125-year leases with the right to rebuild, so as to attract institutional investors. The BPF favours a minimum lease of 150 years.

Mr. Prentice seemed especially concerned to show his confidence in the future of the universities — which would be expected to cater for about half of the national student-numbers target for 1981. He also stated that the 1975-76 academic year would bring a big improvement in university teachers' salaries, which now lag behind the scales for polytechnic lecturers.

However, in the present economic circumstances, the Minister was not able to show the financial aspect of the 1981 policy and say how much public money the universities would receive after 1975-76.

Universities, therefore, were having to consider making a contribution to the student-number policy, without any information on the size of their budgets beyond next year's £465m.

## A 33% rise in varsity students by 1981 planned

By Michael Dixon,  
Education Correspondent

and tenders are often unnecessarily expensive."

• The building of expensive and grandiose council offices and of "model" shopping centres, where people refuse to shop.

• Housing accounts of many authorities "suggest that income from rents now scarcely covers the administrative and maintenance costs. Ratepayers would be better off if local authority housing were sold at a nominal price to the sitting tenant."

• The Group recommends a system of "educational vouchers" to parents equivalent to the cost of education for each child which they would be free to spend and to supplement on the education of their children.

"Sufficient research has shown that such a scheme is practical and that the beneficiaries would be confined to the better-off members of the community."

• Public ownership and subsidies of public transport are neither necessary nor do they provide cheap and efficient services. "By subsidising London's transport, for example, the GLC is making it substantially cheaper not to live in London."

"An area of growing concern has been the inefficiency of local authorities as builders and contractors. Housing sites have often been cleared long before they are needed and land is left empty—sometimes for a decade sections of the population."

## Cut spending, local authorities told

BY JOHN BOURNE, LOBBY EDITOR

WAYS OF containing or cutting local government expenditure should be given greater attention, the Selsdon Group of Right-wing Conservatives says in its evidence to the Layfield Committee on Local Government Finance.

The group, dedicated to the restoration of a free market economy, says in its evidence published yesterday, that inflation has brought the "rates crisis" dramatically to a head.

Inflation has been the result in part of local authorities assuming an ever-increasing number of functions and of their consuming a growing proportion of national income, it adds.

The paper suggests several areas suitable for spending cuts: • Commercial activities: Councils should be dissolved from competing in areas where private enterprise has shown itself quite capable of providing an efficient service. Local authorities are not efficient commercial organisations, and given their bureaucratic structure, it is most unlikely they will ever become so.

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"An area of growing concern has been the inefficiency of local authorities as builders and contractors. Housing sites have often been cleared long before they are needed and land is left empty—sometimes for a decade sections of the population."

## Alumina 'closes' schools

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

SEVENTEEN schools are closed completely and 114 partly as a result of the high-alumina cement problem, the Department of Education and Science disclosed yesterday.

A total of 478 had been declared safe after testing or repairs, but 144 remained closed pending examination or alteration.

The Department gave these figures in reply to a claim from

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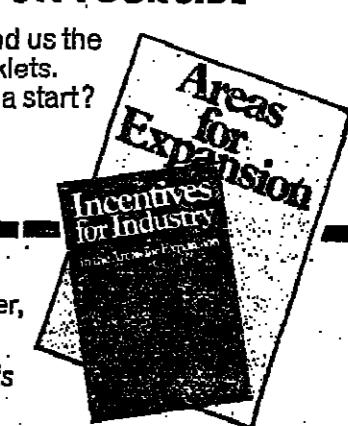
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## PARLIAMENT



Stop 'double talk' call to Government

# Businessmen may be driven to revolt, warns CBI peer

BY JOHN HUNT

Croslan urges more lending by societies

By Justin Long, Parliamentary Correspondent

THE BUILDING Societies Association is to be faced to-day with a request from the Government for an "interim decision" that the volume of lending to home purchasers will be stepped up.

Mr. Anthony Crosland, Environment Secretary, indicated in the Commons yesterday that getting BSA agreement for such a policy would be an important purpose of his meeting with the Association to-day.

The Minister explained during question-time exchanges that more money from the building societies for mortgages was needed "to make good the shortfall in local authority lending."

The shortfall arose because of the re-allocation of funds for the local authority programme, which would mean that councils required to maintain their municipalisation schemes and modernisation of older properties would have less money for mortgage lending.

MPs wanted to know how these new demands on the building societies could be met, and Mr. Crosland acknowledged that there were problems, particularly over the level of interest rates.

## Subsidy

"At the present time, we attach particular importance to the stabilisation of mortgage funds," he said. "The appropriate level of mortgage interest rates has to be judged both in terms of that objective and in relation to other interest rates generally."

Replying to further questions, he added: "The real difficulty is that if the societies were to reduce the mortgage rates below 11 per cent, they would have to reduce their investment rate to below 7 per cent. If they were to reduce their borrowing rate below that figure, we would begin to jeopardise the mortgage money available."

From the Labour backbenches it was contended that people who had local authority mortgages were likely to be faced with a 13 per cent. mortgage rate, and the Minister was urged to take steps to ease the situation.

Mr. Crosland said there were about 50 local authorities who were charging rates higher than 11 per cent. "I would like to do something to help them, but I am not in a position to give an additional subsidy to them."

From the Opposition front bench, Mr. Hugh Rossi blamed the Budget for making matters worse by raising the rate of tax. "Should this not be an area where the Government should give assistance?" he demanded.

Mr. Crosland expressed surprise to hear Mr. Rossi advocating another Government subsidy. "This has been covered in the reduction of the borrowing rate to 11 per cent," he maintained. "The problem is not a simple one."

## Tory leader for Paris talks

By John Bourne, Lobby Editor  
OPPOSITION Leader, Mrs. Margaret Thatcher is to have talks with President Giscard d'Estaing and the French Prime Minister and Foreign Minister during her three-day visit to Paris, starting to-day.

She will be accompanied by the head of her private office, Mr. Airey Neave, MP.

## Cargo safety under study

THE GOVERNMENT is considering new safety legislation for cargoes of dangerous chemicals is required in the light of the recent accident to the Asia freighter.



LORD WATKINSON

Employers ignored.

ment Secretary, was almost entirely trade union orientated.

"To-day we feel the bargaining only takes place with the unions and employers' representatives are largely ignored," he said. "The Government should deal fairly with employers as well as trade unions."

Turning to the activities of Mr. Benn, he said: "To the average businessman what he is doing is quite incomprehensible and extremely frightening and disconcerting."

He recalled that Mr. Benn's party document suggested that investment would have to be guided in accordance with national priorities, which had been disowned by Mr. Wilson and by Mr. Harold Lever.

"I do say as firmly as I can that this kind of double-talk is totally destroying any feeling of confidence between businessmen and their main sponsoring Departments of State," he declared.

Many businessmen took great exception to Mr. Benn's statement that there was a "Ryder report to be written on almost every major engineering concern."

"It is my job to point to the hard fact that if the Secretary of State and his Ministry want willing co-operation from the private sector of industry, he must stop attacking the businessmen who run free enterprise and who still provide most of our exports and nearly all the financial sinews of the State."

"If they feel as beleaguered as they feel now, then they too may be driven to develop industrial muscle power and with it, however reluctantly, confrontation and non-co-operation."

Industrial unity was a problem for the Prime Minister. Industry had been impressing on him its adverse reaction to "the irrelevance of violent political dogma."

The CBI was not challenging the right of the Government to pursue its own policy, but "it's the way you do it that makes it increasingly unlikely that you will get our full co-operation."

Lord Watkinson said he had to be blunt about some members of the Government who were making willing co-operation unlikely, if not impossible. The attitude of Mr. Michael Foot, the Employers more at a time when we

## Use NEDC as basis for recovery

Lord Watkinson put forward a series of suggestions. First, a more balanced judgment must be brought to bear on the more controversial and divisive measures before Parliament, particularly the Industry Bill. Everyone should try to move the industrial and economic debate on to more neutral ground.

## Beswick claims Industry Bill could bring unity and growth

LORD BESWICK, Minister of State for Industry, said that basically there was no difference between the Government's outlook and that of Lord Watkinson.

He did not believe that the pessimistic and negative views put forward were justified. To his knowledge, he said, the president of the CBI had never accepted any invitation to meet Mr. Benn.

Some people had suggested that greater unemployment would help to remedy our economic situation. However, none of our problems could be solved by instant redundancies.

He turned to Mr. Benn's policy document, "A Ten Year Industrial Strategy," in which the Industry Secretary had suggested that money from pension funds should be guided into industry according to its priorities.

It would be wrong, said Lord Beswick, to confuse Government policy with research papers put forward for consideration by the Labour party. These matters were not being proposed for instant consideration.

### Wealth tax effect on farmland

THE MARKET value of agricultural land and its low return at the present time represented a considerable difficulty for agriculture in relation to the wealth tax. Mr. D. F. Williamson, Under Secretary at the Ministry of Agriculture, told the Com-

# Sounds of gunfire from both flanks

BY PHILIP RAWSTORNE

CRITICS TO the left of them critics to the right of them—but the Government last night brought their defence policy unscathed through the inviolate Commons cross-fire.

Conservatives allied themselves with the Government to crush a Left-wing Labour revolt by 489 votes to 57—a majority of 432.

And most of the disgruntled Labour rebels then backed the Government to defeat the Tory assault by 291 votes to 251—a majority of 40.

Mr. William Whitelaw led the Conservative charge, trumpeting a "clear warning against the passive and complacent attitude towards the country's production."

While Mr. Anthony Wedgwood Benn was being given a standing ovation for his speech, the Conservatives' victory was secured by Mr. Roy Mason, the Defence Secretary, who was being closely restricted in his task of safe-guarding Britain's vital interests.

The Government placated its Left wing while Soviet arms and influence grew, he said.

Allies were depressed and enemies delighted.

Resources no longer matched commitments and very considerable risks were being taken; the strength of the free world was being steadily eroded.

"Stand up to protect Britain's interests and security," Mr. Whitelaw called on the Conservative ranks, pointing them into the lobbies against the Government.

If the Government's strategy was meant to pacify the Left wing, it failed.

Mr. Stan Newens led the Tribune Group against a Government policy which he protested, still entailed too much spending on defence.

Manpower and resources should be transferred to the mobilisation of industry, he declared. The Government should be protecting workers' jobs, not the Sultan of Oman.

The main threat to peace arises from the poverty and deprivation of two-thirds of the world.

In the middle of these opposing volleys, Mr. Brynmor John, Under-Secretary for the RAF, reluctantly concluded that the Government must be on the right course.

"The freedom of democratic society cannot be secure without the assurance of a realistic defence policy," he told the Labour Left.

And a realistic defence policy had to take account of the economic situation, he told the Conservatives. Which of the Government's cuts would the Tories restore? he asked. Would defence be given priority over the social services by a Tory Government?

"Yes," shouted Mr. Patrick Cormack (C. Staffordshire, S.W.). "Yes," he repeated, trying vainly to sound like a barrage.

### Burmah Oil assurance

Financial Times Reporter

IN A WRITTEN reply in the Commons yesterday, Mr. John Smith, Under-Secretary for Energy, said that the Government had agreed to indemnify the Bank of England against any losses the Bank may incur as a result of the damage which it has undertaken to provide to the Burmah Oil Company.

He told MPs: "Initially, Burmah's unpledged holdings in BP were to be charged to the Bank as security but subsequently the company approached the Bank for substantial further assistance and in the time available the terms of the loan were agreed to meet only by the sale of the BP holding to the Bank of England."

• The Association of Scientific Technical and Managerial Staffs is to press the Government not to sell profitable subsidiaries of Burmah.

Mr. Douglas Hoyle, Labour MP for Nelson and Colne, and vice-chairman of the union, is tabling questions on the company to Energy Secretary Mr. Eric Varley.



The Financial Times Thursday May 8 1975

Move to align

# EPTU against Market fails

by JOHN WYLES  
in the Isle of Man

A LEFT-WING BID to line up the Electrical and Plumbing Trades Union against the Common Market was defeated yesterday after a fighting attack by Mr. Frank Chapple, the general secretary, on union conferences which tried to "dragon the British people" into voting either for or against the EEC in next month's referendum.

This setback for the anti-Marketeers at the EPTU's biennial conference was welcomed as "very satisfactory" by Mr. Roy Jenkins, who arrived immediately after the debate as guest speaker from the Labour Party.

To an audience which had voted three to two against a motion urging withdrawal from the EEC, Mr. Jenkins said that a majority "No" vote on

referendum day would take Britain "nearer to a catastrophe" and leave her without "any effective, viable and sensible course forward."

While Mr. Jenkins was politely won a slim majority for his national executive's neutral policy, which leaves the union's members without any recommendation on the Market issue.

Both in moving the executive's neutral motion and in replying to the debate Mr. Chapple made no secret of his own pro-Market sympathies, which are shared by a majority of his executive.

Apart from being a propaganda blow against the anti-Market cause, the main significance of yesterday's events is that Mr. Chapple is now free to play an individual part in the pro-Market campaign.

He revealed after the debate that he would accept an invitation to join the committee of the EPTU conferees that those speakers who had been dragged into conference decisions which were often an inaccurate reflection of the views of individual union members.

Employing rhetoric familiar

one, in which the British people had the right to decide "without being dragged into conference decisions which were often an inaccurate reflection of the views of individual union members."

The situation was a unique one, in which the British people had the right to decide "without being dragged into conference decisions which were often an inaccurate reflection of the views of individual union members."

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## LABOUR NEWS

# Chrysler now facing pay demands from three plants

BY ROY ROGERS, LABOUR CORRESPONDENT

**CHRYSLER U.K.**, which has until tomorrow in reply to a 15 a week pay claim from 3,000 workers at its Stoke-on-Trent, Coventry, engine plant or face a damaging strike, yesterday received a further pay demand from 5,500 workers at its Linwood, Scotland plant.

To-day a 30 per cent demand to be lodged on behalf of 800 men at the company's Luton, Coventry assembly plant, the annual round of Chrysler's plant-level pay negotiations brews up ready for a July 1 implementation date.

Although national officials of the Amalgamated Union of Engineering Workers have urged their members at Stoke to withdraw their strike threat, here has been no response.

## Employers dismiss 1,000 Kent printers

BY OUR LABOUR CORRESPONDENT

**THE PAY** dispute, involving members of two unions employed in general printing and on production of several newspapers, has been halted including the Coventry Evening Telegraph. Others have had printing hit and been reduced to a single one edition—as is the case with the Liverpool Echo.

The NGA and Slade have rejected an offer which would take the printing workers' rate of pay from £28.43 a year ago to £39 now and £41 next November. The offer has been accepted by two major print unions: the Society of Graphical and Allied Trades and the National Society of Operative Printers, Graphical and Media Personnel.

Mr. Joe Wade, assistant general secretary of the NGA, said last night criticised as "unprecedentedly provocative" the action of employers and warned that this could lead to the NGA escalating the action it was already taking.

## 23% rise for 40,000 in heating, ventilating

BY OUR LABOUR STAFF

A 23 PER CENT. pay rise has been agreed for 40,000 workers in the heating and ventilating industry. The money, which is in addition to "consolidation" of threshold payments in February, is to be paid in two stages: a 11p an hour more from August and a further 10p from next January.

The deal, to run for 12 months from August, raises the main hourly rate from 93p to 115p by a day this year, a day next year and three days to make four weeks total—in 1977.

## Scanlon moves to £6,000 a year with 14.3% rise

**UNION** leader Mr. Hugh Scanlon was yesterday awarded a 14.3 per cent. pay rise—just six months after a 10 per cent. increase.

The Amalgamated Union of Engineering Workers' president will get £750 a year extra, putting him at £6,000 a year, the AUEW's rules revision conference decided at Blackpool yesterday.

The date for Mr. Scanlon's rise—and that of other full-time officials who received 10 per cent. last November and will get similar 14.3 per cent. rises—has yet to be settled.

But if they take effect before November, the social contract guideline laying down that wage rises should be limited to one a year would be breached.

Mr. Scanlon's salary will still be below that paid to officials of many other unions.

The conference also agreed a 7.5% rise for the new general secretary of the union—a post which is still to be decided on—but now taking place—bring

ing that salary also to £6,000. Other increases include £50 for members of the National Executive, (new salary £5,200), £50 for other full-time officials (new salary £4,600) and improved payments to branch officials and lay delegates.

**NEW MEMBER** for Monopolies Commission

Mr. C. G. Plant, general secretary of the Inland Revenue Staff Federation, has been appointed a member of the Monopolies Commission. A senior member of the TUC general council and the U.K. workers' representative on the ILO Governing Body since 1969, Mr. Plant retired at the end of this year from his post.

Mr. Scanlon's salary will still be below that paid to officials of many other unions.

The conference also agreed a 7.5% rise for the new general secretary of the union—a post which is still to be decided on—but now taking place—bring

## Pay curb policy 'is doomed'

BY LORELLE OLSLAGER IN MARGATE

**LEADERS** of the Civil and Public Services Association, increasing prices, output and reducing unemployment, yesterday warned the Government that a policy of pay restraint will be "doomed to failure."

At the same time, the union's conference had confirmed the Left of centre course it had embarked on last year when it supported the Left's candidates for two senior union posts. This made it clear that the election, on Monday of three Right-wingers to high office did not signify a genuine political shift away from the Left.

Sharp economic and political struggle is ahead, he said.

Mr. Kendall added a warning that the economic and political stability Britain had experienced over the past 30 years was coming to an end.

Speakers for the executive disclaimed charges of political bias and "block voting." They insisted they had tried to pick the best man for the £7,000-a-year post.

The vote for Mr. Graham—the union's general secretary, warned the Government that the 220,000-strong CPSA was firmly opposed to the economic strategy outlined in the Budget.

Once again, Mr. Kendall declared, the whole emphasis of government policy was on holding down wages and squeezing consumption. "Such a strategy—members of the union—is far from routed."

action to curb the number of attacks by claimants on social security clerks. These had been about 1,200 in the past year with scaffolding poles, chairs and ashtrays used as weapons.

## Civil Service Union call for 30% rise

By Our Labour Staff

The 42,000-member Civil Service Union will be asked to endorse a new pay claim of 30 per cent. payable from next January, at the Union's biennial conference which opens in Leamington Spa tomorrow.

Another resolution calls for a £16-a-week across-the-board rise, and there are demands for special weighting allowances for civil servants in major cities and also in remote or rural areas where living costs are said to be untypically high.

## BUSINESS OPPORTUNITIES

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Reply:	Box No. E.5836. Financial Times, 10, Cannon Street, EC4P 4BY.

## Finance for Private Company Shareholders

If you are a shareholder in an established private company and you or the company require £50,000 or more for any purpose, ring Richard Strong, Charterhouse Development.

Investing in private companies as minority shareholders has been our exclusive business for over 40 years. Perhaps we can help you?

## CHARTERHOUSE

Charterhouse Development Limited, 1 Paternoster Row, St. Pauls, London EC4P 4HP. Telephone: 01-281 3199.

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## COMMERCIAL VEHICLE DISTRIBUTION

An important announcement. A large and technically advanced continental manufacturer offering a comprehensive range of diesel-engine commercial vehicles wishes to extend its existing successful network of dealerships in the United Kingdom.

### Worldwide acceptance

The Company has been exporting commercial vehicles to many countries throughout the world and has long experience in maintaining the highest standard of service to its franchise.

### Comprehensive operation

The plant is one of the largest in Europe, and manufactures engines as well as component parts of its finished products. It is therefore in a position to offer distributors complete spares and tooling availability to ensure immediate turn-around of repairs and routine servicing.

### Full range of heavy commercial vehicles for immediate delivery

The range now available to British operators from existing dealerships is comprehensive in the heavy vehicle sector, and plans have been implemented to give even more choice by increasing the number of models on offer.

### Your invitation to join the company's success

Applications are invited from anyone with the capacity to available to sell, service and repair heavy goods vehicles. Franchise operators can expect maximum company backing in the related fields of public relations, advertising and sound marketing strategy.

Though certain areas in Britain are of prime interest to the company at the moment, applications can be considered from all quarters.

Initial applications, giving full details of your present operation, and whether or not you already operate a Heavy Goods Vehicle franchise, will be treated in the strictest confidence.

Please address your applications to:

Roy Laing REF C.V.D.  
Binders Hamlyn Singleton Fabian,  
Chartered Accountants,  
8 St. Bride Street, London EC4 4DA.

## MUNICH OFFICE

British company with established Sales Office in Munich—Germany. Resident European Sales Manager plus competent bilingual secretary, plus telex and telephones. Office accommodation, secretarial assistance and communication facilities available to reputable British company involved in export and willing to share costs.

Write Box No. E.5866.  
Financial Times,  
10, Cannon Street, EC4P 4BY.

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Substantial cash resources available to purchase controlling interest in profitable companies with good prospects but perhaps with cash problems or restricted financial resources. Companies with net profits in the region of £15-50,000 p.a. should reply in strictest confidence giving details of proposition to Box E.5608. Street, EC4P 4BY.

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Marketing company with international potential needs capital in exchange equity. Write Box E.5867. Cannon Street, EC4P 4BY.

## EXPORT REPRESENTATION REQUIRED

We are seeking export representation throughout the world. Our Company manufacture a wide range of mechanical and pneumatic handling plant, silo storage plants, etc. All items of plant can be sold as individual units or alternatively can be sold as package deals for major capital plant projects.

Companies or individuals wishing to be considered by the Company should write to:

Box E.5876. Financial Times, 10, Cannon Street, EC4P 4BY.

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(i) The services of Members planning to retire in the next ten years and substantial direct private client business, who would wish to benefit from continuing income after retirement not dependent on capital gains, dividends, etc.

(ii) The services of a Member with material institutional dealing business.

Write with full details to Box E.5863, Financial Times, 10, Cannon Street, EC4P 4BY.

## RICHMOND HILL SURREY

A well known and established Craft shop and Garage in this area ideal for someone seeking a home and workshop or sub-branch. The shop is well equipped with a fully fitted shop and showroom and attractive accommodation above. Offer sought for the whole as a going concern with vacant possession. Stock and fittings at valuation.

Price £45,000 Freehold full details, Debden, Highgate Chancery Lane, 18, London N1. Tel: 01-546 3356.

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a majority holding or the takeover of a trading company active in imports or trading. Please reply to:

Box F.279,  
Financial Times,  
10, Cannon Street, EC4P 4BY.

## CANADA

Import/Export agent, highly experienced, likewise, will be in London 13th to 25th May and will be interested in meeting with interested business men to discuss representation or other proposals.

Phone Shep, 01-407 3155 or write 115 Westbourne Terrace, London W2.

## ANNOUNCEMENT

We have considerable Finance available for Mortgage, Re-Mortgage, Commercial, Industrial, Development and Bridging purposes. We offer full range of facilities for all transactions.

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10, Cannon Street, EC4P 4BY.

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marked attention MORGAN & CO.

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# ACCOUNTANCY APPOINTMENTS

## MAJOR INTERNATIONAL COSMETICS HOUSE Financial Controller UK Operations

required for British headquarters in the West  
making a wide product range for world markets

The task is to control all UK financial reporting and accounting, making fullest use of an information system covering manufacturing processes at headquarters, product distribution to overseas companies and UK marketing activities. Fully adequate staff back-up and mechanical facilities.

This is a new appointment - first interviews before May 19.

John Bell  
24-28 Moorgate, London EC2R 6EA  
ROBSON RHODES

## Group Accountant - Management Information

South London Area:  
from £7000, plus car

Our client is a major international group of companies with manufacturing activities and distribution outlets in the United Kingdom, Europe and other parts of the world. Its turnover is now approaching £100m.

The group is currently reviewing the flow of information from its operating companies to its Headquarters in the South London area and is developing a system of common reporting, which will meet the requirements of central control while retaining a substantial measure of flexibility and autonomy at unit level.

To implement control and further develop the new information systems, the group intends to appoint a senior accountant who will report directly to the Group Finance Director, and work closely with a team of senior financial managers concerned with co-ordinating the group's accounting and planning activities. This is a new appointment and in due course he will develop a small team of assistants.

Candidates over 28 years of age, must be accountants with at least three years' industrial experience since qualifying. This should have been gained in a large group of companies with advanced management information systems. Experience in the use of computerised systems is desirable. Some travel abroad would be expected.

This is a first-class opportunity for an energetic, systems-orientated man to make a significant contribution in a new situation.

Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. Ref. B.1012.

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The work varies enormously. For instance, you could be advising on £multi-million contracts placed by the Ministry of Defence, assessing requests for Regional Development grants or the Department of Industry, or designing management accounting systems at HM Stationery Office.

If you are a Chartered, Certified, Cost and Management, or Public Finance Accountant your starting salary could be up to £6300 and you

could be in line for promotion to Chief Accountant (rising to £7860) after two years.

There are currently vacancies in London, Glasgow, Liverpool, Nottingham, Norwich and possibly elsewhere.

These appointments are pensionable and can be permanent, for a fixed period, or (in appropriate cases) on secondment terms.

For further details and an application form write to the Civil Service Commission, Alencon Link, Basingstoke, Hants RG21 1JS or telephone BASINGSTOKE (0256) 68551 (answering service operates outside office hours) or LONDON 01-839 1992 (24 hour answering service). Please quote ref. G/5390/9.

**Financial Controller**  
up to £7,000

A international electronics equipment company, with manufacturing plants across the world and retail outlets throughout America, Canada, Australia and the European Common Market wish to appoint a Financial Controller for their rapidly expanding UK branch. The location of the appointment will be in the West Midlands.

The position offers an opportunity to join the company at an early stage of its development in the UK, and for the man appointed to grow and develop with the company as it expands. He will take over responsibility for all financial aspects of the company's business with special emphasis on developing the company's accounting procedures, the preparation of periodic accounts and in particular ensuring that financial resources are properly planned and controlled and that realistic budgets and profit plans are set. There would be an opportunity for the appointee to develop later, into a wider field of general management. Age is not a critical factor in this appointment, although it is unlikely that candidates aged less than 30 or earning less than £5,000 p.a. will offer sufficient maturity to discharge the responsibilities envisaged. Knowledge and practical experience of EDP would be an asset.

The commencing remuneration will be negotiated up to £7,000 p.a. and the company would contribute to the cost of removal expenses if the successful candidate had to move his home to take up the appointment.

Candidates should write for a personal history form, quoting reference MCS/1608 to Price Waterhouse Associates, 31/41 Worship Street, London EC2A 2HD.



The Wellcome Foundation is a major, British-owned international pharmaceutical company with world-wide sales turnover exceeding £170 million, and a multi-million research investment programme. We have three main production locations at Dartford (the largest UK site), Berkhamsted and Crewe, and over 60 per cent of UK production is exported!

### Financial Accountant around £5000

To be responsible for the preparation of the Annual and Period Accounts of the UK company, together with associated budget and planning information. He will control a small team and with their aid, will maintain current accounts with overseas branches and subsidiary companies, reconcile all sales control accounts and prepare and submit V.A.T. returns to Customs and Excise.

The successful candidate, probably aged 28-35, will be a professionally qualified accountant, with some industrial experience in line management. Location Dartford. Ref.522/A

### Management Accountant around £5000

To be responsible for the design and implementation of computer based management accounting systems embracing standard costing and inventory control, to cover all the UK sites. Located at Dartford, he will control a section of the Group Cost Accounting Department, and prospects of progressing to Management Accountant at one of our locations are good.

The successful candidate, probably aged 28-35, will preferably be a qualified A.C.A. Experience of computer-based standard cost systems will be an advantage. Ref.522/B

Both these positions carry generous benefits which include assistance with relocation expenses, where appropriate; four weeks' holiday and excellent pension scheme.

For an application form, please write or telephone, quoting the appropriate reference to:

Miss Carol Shepherd, Personnel Officer,  
The Wellcome Foundation Limited,  
Temple Hill, Dartford, Kent. Tel: Dartford 23488.

## euira

### Business Accountant

West London

Circa £5250

Our well-known client is a highly successful manufacturer of precision equipment for industry. The main division turns over £20 million and is undergoing rapid expansion.

This expansion has now created the need for a Business Accountant who will play a leading role in the dramatic growth occurring. Based at the centre, he will monitor the results and activities of the division and take an active part in planned decentralisation.

Reporting to the Division Finance Manager he will supervise staff when necessary, and will be responsible for systems development and implementation. He will also deal with ad hoc exercises including financial evaluations.

Candidates, age 27-35, should be qualified accountants; preferably with industrial experience, and should telephone or write to David Hogg, A.C.A., who is advising on this position:

E.M.A. Management Personnel Ltd.  
Halton House, 28/33 Halton,  
London, E.C.1.  
01-405 4342/3

## Group Taxation Manager

Bass Charrington wishes to fill the appointment of Group Taxation Manager to head the Taxation department at the Headquarters in Burton-on-Trent. This is the senior Group taxation appointment and will command a commensurate salary and benefits.

An in-depth knowledge of the working of the U.K. Tax System is essential, together with a broad appreciation of European Tax Systems. Applications, which will be treated in confidence, should give details of age, experience and salary, and be addressed to:

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Financial Controller,  
Bass Charrington Limited,  
P.O. Box 214,  
54, Baker Street,  
LONDON W1A 2JY.

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### FINANCIAL DIRECTOR

Designate

Whitworth's Produce Limited, one of the larger independent fruit and vegetable pre-packaging groups, requires a Financial Director Designate at its Chelmsford headquarters. Growth has been rapid over the past two years and turnover is now running at £10m. With a substantial volume of overseas trade, this is a challenging position which requires a high degree of skill and flair of its traders and the man appointed must have the personal qualities to blend with the management style and to achieve sound but unobtrusive financial controls without inhibiting the operations of those in the field.

Applications are invited from qualified accountants aged from the late 30's who have spent several years in the industry, since qualifying, in a position of responsibility in a fast moving trading operation and of importing and exporting would be added advantages.

Salary negotiable around £7,000. Car, relocation expenses.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to:

The Executive Selection Division - MP446.

Coopers & Lybrand Associates Ltd.,  
Management Consultants,  
Shelley House, Noble St, London, EC2V 7DQ.

### FINANCIAL CONTROLLER

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A major international group seeks someone with experience of financial control at £10,000. + turnover.

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### GENERAL APPOINTMENTS

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Salaries will be negotiable according to experience and qualifications. In addition the company offers subsidised mortgages, non-contributory pension and free lunches.

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London, EC3M 4AQ.

Telephone 01-623 6321

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The successful candidates will:

- have a university degree and/or professional qualification.
- have had two or three years experience of investment analysis or of analytical/financial work in industry or commerce.
- be highly numerate.
- be able to express themselves concisely and persuasively both writing and speech.
- be able to conceive and put across original investment ideas with initiative and energy.
- be able to develop a good rapport with the management of companies covered.

They will be required to:

- write reports on companies and/or sectors covered by the department in liaison with the Research Partner.
- travel in order to remain constantly in touch with the company covered.
- liaise particularly closely with our Sales Team, in order jointly to produce, develop and revise investment opinions.

The work is backed by a sophisticated computerised data bank of the main companies covered which will maximise the analysts' time for thinking, writing and reading.

The jobs will be demanding, which will be reflected in the salary.

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Leading firm of London stockbrokers with important and established international business require an Investment Analyst to specialise in gold shares and mining finance houses. The ideal applicant will be young and enthusiastic with experience in the mining industry or in the analysis of mining shares. A highly competitive salary will be paid to the right person, and there is a non-contributory pension scheme.

Write in confidence giving full details of education and career to Box T.4098, Financial Times, 10, Cannon Street, EC4P 4BY.

Job in this

# GENERAL APPOINTMENTS

## Industrial Director Northern Region

To promote new industrial growth and advise on Governmental aid

The Department of Industry is responsible for implementing Government measures aimed at stimulating industrial and regional development. It has a strong regional organisation based on the Regional Offices of the Department of Industry. An important element in the Government's regional policy is the selection of programmes designed to promote new industrial growth in the Intermediates and Development Areas, located in Newcastle upon Tyne, the West and Scotland. Director has key role in promoting industrial growth and in the preparation of proposals for submission to the Northern Industrial Development Board. In close co-operation with the Department's Directorate for the Northern Region, Civil Service Under Secretary he exercises considerable authority in the allocation of selective financial assistance to industry. His primary responsibilities will be:

1. to seek out firms which might be encouraged to undertake expansion projects.
2. to evaluate applications for selective financial assistance and to make recommendations.
3. to provide an expert's view on steps which will encourage the expansion and modernisation of industry within the Northern Region.

Candidates must have held a senior managerial position in industry or finance (preferably both). It is essential that the successful candidate should be able to work with others in a team and to communicate his particular expertise. He should also have the ability to discuss financial issues authoritatively with top management and to influence the planning and decision-making of industrial companies in a positive manner. The salary for the post is to be agreed in the light of the experience and relevant qualifications of the successful candidate, but will not be less than £9,250 per annum. The appointment will be for two years.

An alternative to direct appointment a secondment from a candidate's present employer can be arranged on remuneration terms to be negotiated.

Please write, enclosing a curriculum vitae and quoting reference to M.R.E., Civil Service Department of Industry, Establishments Section, Sankey Management Division, Victoria Street, London SW1H 0ET. Applications must be made and in any event not later than 23rd May. Please quote MA.

Department of Industry

## Managing Director Steel Industry

Steel Industry

A large steel Company, part of the private sector, wishes to appoint a top executive who is capable of running the present operation efficiently as well as controlling the transition to electric arc furnaces, and then ensuring that these are used to their maximum capacity. The really successful man could then look forward to further career growth. Applications are invited from men already in general management within medium to large Companies and who have come up through production, certainly within the engineering industry and, ideally but not essentially, steel. An engineering qualification and an metallurgical background is looked for and the preferred age range is 35 to 45. The conditions of employment: match the seniority of the appointment and initial salary is negotiable up to £15,000. (Personnel Services Ref: GM27/3485/FT)

The identity of candidates will not be revealed to our clients without prior permission or given during a confidential discussion. Please send brief career details, quoting reference number to the address below, or write for an application form, and advise us if you have recently made any other applications.

PA Management Consultants Limited,  
Personnel Services Division,  
Hyde Park House,  
Knightsbridge, London SW1X 7LE

## Managing Director

Lloyd's Brokers

Our Clients, a member Company of a substantial U.K. Group, are a medium sized international firm of Lloyd's Brokers, with a brokerage income in excess of £10m and increasing rapidly.

In appointing a Managing Director, our Clients' prime objective is to develop and expand their overseas portfolio with an emphasis on non-marine business both direct and reinsurance. Furthermore the Company has very substantial overseas connections which have yet to be fully realised.

We are looking for an executive who will have established himself already as a successful international negotiator enjoying not only the confidence and respect of major overseas clients but also of the London market.

The salary is to be negotiated in the five figure range, with the usual benefits attaching to a position of this importance and seniority.

To discuss the appointment in strictest confidence, please telephone B. W. S. Barcock, on 01-405 3499.

We know the profession very well.  
Insurance Division  
Lloyd Executive Selection Ltd  
Brownlow House  
50-51 High Holborn, London WC1V 6ER

## UNIVERSITY APPOINTMENTS

THE NEW UNIVERSITY OF ULSTER

VICE-CHANCELLOR

The University has been advised by its Vice-Chancellor, Dr. Norman Alan Burges, that it is his intention to retire at the end of September 1976.

A Joint Committee of the Council and the Senate has been established under the Chairmanship of the Pro-Chancellor, Chairman of the Council, Mr. R. S. McCulloch, to recommend the appointment of a successor. The Joint Committee will be pleased to hear of or from those who might wish to be considered for this office whether by personal letter or by nomination from others.

All communications should be marked personal and confidential.

W. T. EWING  
Registrar and Secretary  
to the Joint Committee  
Coleraine, N. Ireland.

## TRUST OFFICER

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SUN. 29.10. 11.15. TUE. 30.10.

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FRI. 02.11. 11.15. SAT. 03.11.

SUN. 04.11. 11.15. TUE. 06.11.

WED. 07.11. 11.15. THU. 08.11.

FRI. 09.11. 11.15. SAT. 10.11.

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FRI. 29.03. 11.15. SAT. 30.03.

SUN. 31.03. 11.15. TUE. 01.04.

WED. 02.04. 11.15. THU. 03.04.

# The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

## • AUTOMATION

### U.K. checker wins bank network race

BRITISH In concept and manufacture, a new electronic error-detection device, the Minitrone, has been accepted by SWIFT (the Society for World-Wide Interbank Financial Telecommunications) as the approved SWIFT network is restricted to adaptors to be attached to teleprinters to provide the required degree of message security when teleprinters are used in the SWIFT banking transaction network.

Designed and developed by Mintronics, of 324, Euston Road, London, NW1 3DU (01-387 0505), the Minitrone X8 is a small, low-cost electronic unit believed to be the first which can be "added-on" in a few minutes to standard teleprinters such as the Olivetti 318 or Teletype ASR33, specifically for the purpose of automatically detecting whether any errors have occurred during the inward or outward transmission of messages and warning the recipient that such errors have arisen.

SWIFT, with 270 member banks in 15 European and North American countries, is setting up a world-wide communications network with processing centres in Belgium and Holland and concentrators in each of the other countries.

To start operating early next year, it is hoped, the network will be used to link together the printers where accuracy and security of information are of prime importance.

## • PROCESSES

### Washes the Prices cut on boilers

FOR USE in high-speed bottling plants, the Belgian company, Shell boilers, both at home and Konstrukcie J. Lambrechts overseas, B and E Boilers p.v.b.a., 2658, Ruisbroek, has (Richardsons Westgarth Group) introduced a plastic crate turn-around and washing machine capable facilities at its Easthamstead of operating at up to 6,000 crates an hour.

The new building is approximately 10,000 square feet, comprising a three-level "S" configuration with crates entering the top strand upright. As electric overhead travelling they drop to the middle level crates, one to each span. The they are inverted (debris is eaves height is 35 feet to afford collected below), and then a lifting height of 28 feet 6 inches. First there is a warm water/detergent wash, then a asbestos. Design and construction was carried out by Brindle Kent, as a package deal and completed to a tight programme

After a short draining period the crates revert to the upright within 26 weeks. This addition to facilities has enabled B and E to cut their the cleaning operation completes drying. The machine is cent. and reduce delivery times made of stainless steel.



Ripping steel wire armour and lead sheathing from heavy power distribution cable at 32 ft./minute to recover the valuable copper conductors, this rotary shear is made by Impact Industrial Holdings, Egerton Street, Toward Road, Sunderland (0783 40151).

## • HANDLING

### Copes with awkward objects

ABLE TO pick up a 1,600-lb (710 Kg) load regardless of weight distribution or shape, spin it round in little more than its own length regardless of its size, move it up and down and backwards and forwards, a new so designed that the load can be clamped between the two opposing enough to fit in a car boot—with the truck frames and the object

cubic feet to spare for luggage. The D-Pelco Moving System brought out by Prodac can do a number of jobs a forklift truck cannot, and its makers claim with some justification that it is the first really new idea in mechanical handling for 50 years.

Essentially very simple, the system is based on a combination of elementary hydraulic and mechanical leverage principles and has been patented. Two identical low-profile trucks are used at opposite ends of the object to be moved. They are so designed that the load can be clamped between the two opposing truck frames and the object

can then be swivelled, pushed and elevated up to 15 in. above ground level as required. A simple pair of hydraulic cylinders provides the lift via manual pumps.

The trucks themselves are versatile and, when not in service for their primary purpose, can be used separately as sack trucks, or as flat trolleys, being fitted each with three sets of heavy duty castors.

Further details of the D-Pelco Moving System can be obtained from Prodac, 34 High Street, Thatcham, Berkshire, Thatcham (0635) 63208.

the extension in a horizontal position while in the "at rest" position. The unit may be adjusted for gravity fall in both directions to suit the goods being on/off loaded.

Flexivator, 35, Kentish Town Road, London NW1 3NU (01-485 9401).

**Piggy-back fork lift truck**

FROM HOLLAND comes the Kooi-Aap, a fork lift truck that rides piggy-back on a lorry to help with loading and unloading or can be left to work on site. Using its own forks it lifts itself from the back of a lorry in under 80 seconds.

Powered by a petrol, diesel or electric motor, all operations are hydraulic and controlled from one position. Travel speed is infinitely variable from 0.6km/h. Lift height is 2.3 metres and maximum capacity is 2,700 kg. Turning radius is about two metres.

The unit has a 2-ply grip faced rubber belt of 500 mm. width, powered by a 1/2 h.p. electric motor, single or 3-phase as required. Control is from two points and the whole is fully portable being mounted on 8 inches diameter castors.

Available with thin hydraulic Flexi-loader to extend inside the container is a new design Flexi-tongue; likewise of 500 mm. width. It is extendable from approximately 4 feet 6 inches to 16 feet and is fitted with a self-leveling device which maintains

It is being marketed in the U.K. by Transport Marketing, 1512 Lincoln Road, Wellingborough, Peterborough (0733 71584).

## • PRODUCTS

### Sucking up all litter

SELF-PROPELLED power sweepers for indoor and outdoor use designed to pick up all types of litter and dust in any proportion have been introduced by Fleximex, CRAY Avenue, Orpington, Kent, BR5 3PX (Orpington 2611).

Both pedestrian controlled and rider types are available.

all can have either petrol or battery power units, while the pedestrian version can be battery powered.

They are basically of the main brush front loading type with a rear filter compartment. The main broom bristles are set in a "V" pattern which moves debris towards the centre of brush to give the most efficient pick-up. Vibration is minimised as there are always bristles in contact with the floor. Fine dust down to 3 microns is trapped in an aerocon filter.

There are four forward speeds (max. 3 mph) reverse and automatic safety brake. With side brush, maximum pass width is 35 inches. The machines can turn within their own length.

weight not exceeding 50 kg. prevails it will be found that the Sliring compares very favourably with conventional bearings.

Main advantages are freedom from lubrication; acid resistance; noiseless running and low cost.

At the moment Slirings are being mass-produced in diameters of 18, 22, 24 and 28 mm, but can be produced in any size required.

Because of the very low price, about a tenth of that of steel bearings—the Sliring is attractive for many uses.

Its use is limited by weight, speed and temperature. But in those applications where low speed revolution, a maximum average temperature of 15°C and

for many uses.

Europtrade, 58 Bourne View, Greenford, Middlesex, UB6 7QT. (01-902 1831).

For many uses.

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# The Marketing Scene



## Advertising ages

PAMELA JUDGE

WORKING ITS 50th anniversary and with financial support from Midland Bank—the Incorporated Society of British Advertising—is running until 7 an exhibition of advertising, dating from the 1900s to day, at the Reed International showroom in Piccadilly, London. The exhibition is excellently put together for all adults, with a mine for ad. buffs, a car for the Spirit of Shell, personalised by Alan Millson, the Giraffe, Esso Tiger, a Guinness Bond for you in its every ad, in national dress, still a Guinness is a sport front page of the Daily Mirror of a day-in and Queen, and there are jars of toothpaste from early days.

an "Attack on a Guinness Well".

There are major examples of inter-war years ads, by the railroads, companies, notably the LNER and "It's quicker by rail"; Gulliver — "the independent company"—advertised its Park Drive cigarettes with illustrations of suffragettes and small boys smoking another brand.

Imperial Airways was busy advertising in popular Sunday newspapers (grocery groups) in the last concentrated on the big end of week shopping days, and the £100,000 to be spent in three days on national TV. This alert shopper to a money off coupon in the Daily Mirror on the subsequent day.

VG FOODSTORES, the third largest symbol group in the UK with a turnover through its 3,500 members of £175m, last year, is launching one of the largest ever retail promotions, between now and June 11, spending £750,000 above and below the line, advertising the product range in the shops and price cuts.

VG reckons that its fleet of 22 flying boats was capable of 200 miles an hour and De Havilland proudly presented its first Comet.

Rowtree Mackintosh has named

a 10th anniversary Queen locally carries the pictures of the King and Queen, and there are jars

of toothpaste from early days.

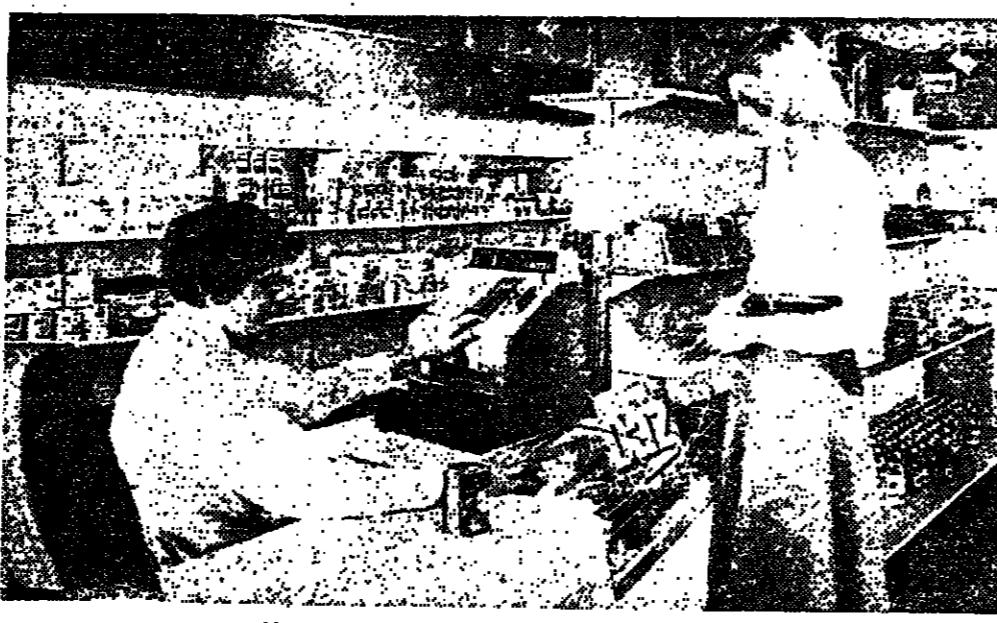
A. T.

Dick Branson, chief executive of VG, reckons that the overall "own label" price discount dropped from 8 per cent. to 6 per cent. last year, as manufacturers concentrated on their branded lines. But in 1975 it could rise again to 9 per cent. since the manufacturers regard the impressive scope of the "own label" activity as one way that manufacturers are prepared once again to offer goods, at

FACTORY SHOPS

## Growing slowly but surely

BY PETER CARTWRIGHT



Not a shop but the Henry Wiggin factory at Hereford

ONE RETAILING trend not

touched upon at last week's meeting of the Institute of Grocery Distribution was the growth in canteen shops. Hundreds of factories now have shops for the workers, and some local traders are getting worried. The trend is likely to increase, especially on the more isolated industrial estates, where higher petrol prices have restricted lunch time shopping by working wives.

Most of the companies involved in the shops are catering concerns, like Midland Catering and Bateman, part of the Grand Metropolitan; Gardner-Merchant owned by Trust House-Fraser and Sutcliffe, of Sterling Industries. They operate on a cost-plus basis, giving any extra return to the factory. Computer can hardly expect to make a profit of running shop but at least the additional revenue means that the cost of their subsidised canteen meals need not rise worryingly.

At the moment it is rare for a canteen shop to have a turnover in excess of £2,000 a week, although a butcher's shop at Texas Instruments at Bedford

managed to reach this level by itself. However, the whole concept is picking up momentum and Midland Catering has opened what is described as a "mini-supermarket" at the Hereford factory of Henry Wiggin, a member of the International Nickel group.

The store is 32 feet by 17 feet by 8 feet 6 inches, and cost £13,000 to erect. It sells the main grocery packaged foods, as well as fresh meat and bread—there is a bakery at the factory. Turnover is already over £500 a week and rising, with fresh meat as the best selling line. "We are increasingly finding employee husbands doing the shopping for their wives and coming to work with shopping lists," says catering manager Mr. Gordon Humphreys, who manages the business community.

The local Chamber of Commerce is naturally worried by the development. "While we appreciate the reasons for the Henry Wiggin development it's not quite fair competition, is it?" says Mr. Eddie Pritchard, president of the Hereford Chamber of Commerce. "It's not as if any of us can get the concession. However justifiable you can make this kind of thing sound, when you add it all up it distorts the pattern of trading and destroys the social pattern that grows out of it."

But the development of factory shops is now firmly entrenched. British Rail, at its Marylebone headquarters, British Leyland, British Ropes, Gestetner at Tottenham, Pilkington, Cincinatti, and Kalamazoo are some of Midland Catering's 50 clients, and a certain sophistication is entering the business. There is currently a promotion under way at Midland Catering's factories, featuring products from the Continent, and local travel agents have been invited to set up stands on the shop area, selling packaged tours to the same destinations. The catering organisations are in the best position to supply

Call Peter Clifford on 01-353 1030 for literature.

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Lower retail demand means—

## Dealing towards disaster

BY ANTONY THORNCROFT, MARKETING EDITOR

IT SEEMS that after the disrupt decline, while price cutting manager says: "Not only were the ten local commercial radio stations operating in March was the most distinctive feature of £545,600, an encouraging rise of the BMRB research is the over the £511,738 recorded in the very high proportion of housewives with children who listen in. The first month for which official figures were forthcoming. This brings the total for the first quarter of the year to £1,355,600.

With another station, at Plympton, on air later this month, and a further eight in the pipeline, there are hopes that commercial radio might bring in between £8m-£10m. in revenue in 1975.

Further encouragement for the fledgling medium comes from the RSGB survey into the audience for BMRB, the Birmingham station. This shows that the audience in the past year has risen by almost a quarter, to over 750,000 at some time during a week. This means that over half the 1.3m. adults in the Birmingham 7M area listen to the commercial station. The cumulative audience during the week is 39 per cent., compared with inflation, has meant that the local entrepreneurial effort is 55 per cent. as this is for stations has noticed.

The slow growth in advertising revenue this year, compared with inflation, has meant that the local entrepreneurial effort is 55 per cent. as this is for stations has noticed.

This is one of the conclusions drawn from a new survey of pay and employment conditions in 189 leading British companies.

The survey report, "Accountancy versus Marketing in Executive Remuneration" produced by Lloyd Executive Selection, contrasts the current demand for accountants (57 per cent. of the companies) increased in their financial team during the past year with the surplus of marketing personnel (43 per cent. of the companies) as a result of a pruning of marketing and sales teams by 25 per cent. of the surveyed companies.

"The emphasis is on much tighter financial controls," says Barry Hines, manager of the Income Research Unit. "The majority of companies are concentrating on the struggle to keep down costs, so there is particularly heavy demand for cost accountants, tax specialists and internal auditors. In the

current economic climate there is simply not enough encouragement for companies to invest in new projects, or to encourage real career development by their marketing and sales executives."

The survey analyses salaries and fringe benefits in April in 38 key marketing and financial jobs. Product managers average £1,750 in the south east and only slightly lower (£1,700) in the regions, whereas management accountants in a comparable level in industry now earn salaries averaging £1,720 in the south east and £1,550 in the regions.

• THE JICTAR television viewing figures for April showed no change from the previous month. The audience ratio remained at 55 per cent. for ITV, 35 per cent. for BBC 1 and 7 per cent. for BBC 2. The most popular programme was "This is your life" shown on Thames on April 2.

The various discounting and bonus schemes are only partly intended by manufacturers to lower prices in the shops (except in special cases, such as the tea manufacturers who have had to introduce discounting promotions to ease the way towards higher price levels). They are mainly intended to get the retailers to stock their lines at a time when the message has gone out from the head offices of the multiple groups to the shops to carry as little stock as possible. By now the store managers have become quite sophisticated in this, and stocks are lower than a year ago during the period of shortages.

All this preoccupation with day to day store activity has naturally concentrated manufacturers' attention on below-the-line promotional activity, and although there has been a slight pick up in brand advertising for packaged goods it has been later and less than anticipated. When it comes to the type of promotions used not surprisingly the more cumbersome self-liquidating promotions (a gift, at a reduction, if you buy the product) are in

want to seem out of touch with current realities. "The economic fiddle," or transferred from other forms of promotion.

But perhaps the first crisis is already on the wane. The latest research data from AGB suggests that volume through grocers in March was slightly above the March 1974 level, while price increases had slackened from 26 per cent. in January to 23.9 per cent. in March.

One that seems to have current potential is in-store couponing. Donnelley Markeplace has already carried out half a dozen such exercises whereby its team of 5,000 part-time housewives can be hired to stand in stores and hand out money-off coupons for particular lines. This ensures that the nature of the problem is changing. Manufacturers are brands, or, perhaps more vitally, convinces retailers that they should stock a certain brand.

This is a rather expensive promotion. To cover 2,500 stores, for two days each store, might cost £5,500. But at least it seems to work. Walls Meats is launching a new range of sausages, the choice of this method of promotion is not surprising, the more cumbersome self-liquidating promotions used not surprisingly the more cumbersome self-liquidating promotions (a gift, at a reduction, if you buy the product) are in

Humphrey, product group so.

## How Lintas showed Pepsodent that white can be beautiful, too.



"Hi! I want to talk to you about whiteness..."



See, when I sing, I like to be sure that my teeth are white and beautiful... so I use Pepsodent!



It cleans and polishes my teeth shiny white without scratching the enamel. Try Pepsodent yourself and you could see...

White can be beautiful, too. (sings)  
You'll wonder where the yellow went... when you brush your teeth with Pepsodent."

Read the commercial above. Then say to yourself, "With this one 30 second commercial, Lintas helped to triple Pepsodent's share of the North East market" because that's what happened. In just one month.

Join Pepsodent at Lintas.

Call Gerald Wright on 01-585 8030

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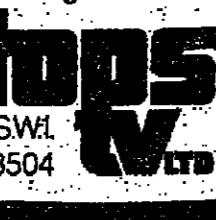
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# Shortcomings of Socialist monetarism

His first Budget in March, Mr. Denis Healey stated: "It is at present moving in the wrong direction. These words are undoubtedly even more true today. These words are undoubtedly even more true today. The Chancellor has tried them; and we will not be hearing from him after the referendum."

Unfortunately, the approach of policy at which he has now arrived as a result of his experiences, which may be called "socialist monetarism," is still obviously defective. The basic principle of socialist monetarism is to concentrate on the supply and the public deficit (or borrowing requirement), without paying much attention to the total burden of public expenditure taxation. If the public sector became too large, an attack on it is through higher taxes, which Mr. Healey proposed in his spring Budgets for 1974 and 1975 and may well do a third time before 1975 is over. Public spending is to be cut as a last resort only, with great reluctance.

Interest rates are kept as low as possible, consistent with the management of the sterling exchange rate and the avoidance of unfavourable money supply rates. The last ingredient is created for the sake of "investment" and owner-occupiers.

## Given instinct

The approach is congenial to many officials and economists, who can form a virtuous consensus around the view that rates should be increased—either in the name of monetarism, "Keynesianism" or pure Treasury instinct. This is much more congenial Labour than to Conservative

Chancellors, who tend to turn it down and are much divided because of their difficulty in intellectualising their rejection. The low nominal interest rate aspect—which means heavily negative real interest rates—tends, however, to be supported by both main political parties, by "industry" and by the unions.

Nevertheless, the lack of success of this whole approach suggests that the order of priorities needs to be reversed. The first priority should be to reduce the share of resources spent collectively—by national and local government. Secondly, so far from increasing the tax burden "any further," the Chancellor ought to be contemplating selective reductions. Thirdly, interest rates need to go up—if this means a sharp rather than a gradual reduction in the growth of the money supply, so much the better.

Nor should we worry about any moderate deterrent to investment—which I doubt if it would have in the context of the rest of the programme. Investment that requires negative real interest rates, or National Enterprise Board money, is probably not worth having. The main effect of the 1960s, when it encouraged the Conservatives in the run-up to their "Selston" phase to waste energy on spurious paper cuts in public spending, such as switching from agricultural deficiency payments to import levies, or from investment grants to tax allowances on new plant. But the Treasury was quite oblivious to repeated representations on this point, and is now hoist with its own definition.

But, even if the absolute totals are arrived at. If there

were a way of settling the issue,

I would be prepared to bet con-

siderable sums of money that a rising tax and public expenditure burden produces more inflation and more unemployment over a three to five year period than a stable or falling one, given otherwise identical fiscal and monetary policies.

Nevertheless, a serious discussion can be started, some of the basic figures need to be appreciated. The table shows that on the Treasury's official definition, public expenditure rose from 44 per cent of the Gross National Product in 1963-64 to nearly 51 per cent in 1969-70. The advent of a Conservative Government did not prevent its rising to over 53 per cent in 1973-74, and in the last financial year, 1974-75, it was probably over 55 per cent. The fact that the fiscal year is three months in advance of the calendar year could give these figures a slight upward bias, but hardly more than a couple of per cent.

## Alarming

The percentages exaggerate the proportion of national resources spent for us by Government. The official definition has worried me since the late 1960s, when it encouraged the Conservatives in the run-up to their "Selston" phase to waste energy on spurious paper cuts in public spending, such as switching from agricultural deficiency payments to import levies, or from investment grants to tax allowances on new plant. But the Treasury was quite oblivious to repeated representations on this point, and is now hoist with its own definition.

But, even if the absolute totals are arrived at. If there

upward trend shown in the table is no statistical illusion, "privately financed consumption" is

Perhaps the simplest way to appreciate the changing burden of public expenditure is to look at tax receipts, including rates and national insurance contributions, as a proportion of the National Income. This is done in the accompanying chart, which shows this proportion falling from a peak in 1970 to a trough in 1973 and then rising very sharply in the subsequent two years to reach over 45 per cent. (The 1973 estimate has been made by using the percentage tax increases shown in the Financial Statement and assuming that the money value of the national income rises by 25 per cent.)

Even that limited part of public expenditure, strangely known as "the social wage," amounts to £1 for every £2 of his income the average citizen is allowed to keep in his pocket. After one allows for other kinds of public spending and for investment, it is doubtful if more than two-fifths of the national

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# COMPANY NEWS + COMMENT

## Boosey profits increase to peak £1.5m.

THE BETTER results forecast at half-way by the directors of Boosey and Hawkes, music publishing and instrument manufacturers, turn out to be a record £1.52m profit in 1974, compared with £1.05m the previous year.

Statuted earnings are up by almost 55 per cent. from 10.1p to 15.6p per 25p share and the dividend total is raised from 5.1p to 5.78p gross, with a final of 4.06358p.

Turnover was up from £8.5m. to £10.4m. and trading profit went ahead from £314,000 to £1.51m.

Controlling chairman, Mr. Hugh P. Barker says, although turnover is up by nearly 22 per cent., interest charges only increased from £183,000 to £172,000. Steps taken in control cash have brought some reward and during 1973 it is expected to continue borrowings within the present framework of banking facilities.

Viable and invisible exports were "well ahead" in the year. Seventy per cent. of sales of manufactured instruments were exported and 50 per cent. of sales of printed music. Additionally the U.K. companies produced a "substantial" invisible exports in the form of copyright fees and royalties the chairman reports.

### • comment

There has been some revision of asset values at Boosey and Hawkes, and last year's valuation of the Regent Street and Margaret Street sites has been cut by 10 per cent. The basis of the revised valuation has not been disclosed. The group's second half growth rate declined from a comparable 76 per cent. in 1973 to only 41 per cent. The group was non-committal on this slowdown. Shareholders, of course, cannot ignore the cash flow benefits (£0.4m.) from the music publishing side—in the books at 12.5p, but the 49 per cent. stake in B and H held by Carl Fischer Incorporated must discourage the articulation of dissent. At 74p, the shares yield 8.1 per cent.

## Recovery at C. & W. Walker

FOLLOWING a fall from £72,484 to £10,341 in 1973-74, taxable profits of gas, chemical and constructional engineers C. and W. Walker Holdings more than recovered to £63,508 for the year to February 1, 1975. At halfway they were up from £32,000 to £60,000.

Turnover ... £1,097,402 1974-75  
Trading profit ... 1,097,378 1973-74  
Share associates ... 32,800 60,000  
Pre-tax profit ... 62,653 55,034  
Tax ... 40,538 38,454  
Ord. dividends ... 40,538 27,464  
Retained ... 11,591 22,084  
Available ... 55,000 17,567

\* Loss.

Full year earnings are shown to have advanced from 6.05p to 6.11p.

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9.6p per 25p share, and with Treasury consent the dividend is lifted from 1p to 2.55p net with a final of 1.25p.

## Gieves record £0.85m.

INCLUDING SALES of the acquired Mamos Holdings since May 24, 1974, turnover of Gieves Group rose from £6.18m. to £16.1m., and pre-tax profit advanced from £531,000 to a record £847,100 for the year to February 1, 1975.

Profit includes £34,650, or 25 per cent. of Mamos profits after interest in May 24, 1974 and all its profits before interest since that date.

Earnings are shown to be up from 9.2p to 12.5p per 25p share and the dividend total is ahead from £825p to £875p net with a final of 1.19p.

A half-way when pre-tax profit was up from £211,000 to £238,000, the chairman, Mr. M. E. A. Keeling, said that because three out of the four divisions were moving against them, shareholders should not assume that second half profits would be in excess of those of the first.

The company has interests in publishing, publishing, the motor trade and car park operations.

DESPITE A rise in external sales from £7.02m. to £7.36m., taxable profits of Feb International fell from £307,000 to £293,000 in 1974 after interest charges up from £73,000 to £107,000.

At half-way, reporting profits up from £183,000 in £204,000, the directors said that, unless there was a substantial drop in sales in the last quarter, full year profits would show a "useful improvement over 1973."

Full year earnings are shown to have fallen from 3.14p to 2.89p per 10p share. The dividend is lifted from £1.33p net to the maximum permitted £1.33p net with a final of 0.66p.

The group manufactures chemicals, decorative finishes, and fixing devices for the construction industry, and acts as suppliers to the building, plumbing and D.I.Y. markets.

REFLECTING PROVISIONS for non-recurring losses totalling £205,000 and the group's share of £30,000 of the half year loss by the subsidiary Rosedale Industries, Heenan Spark has turned in an attributable deficit of £674,000 for the six months ended October 31, 1974, compared with a surplus of £673,000.

Excluding Rosedale, the group profit before tax was £252,000, compared with £68,000.

Chairman Mr. D. Innes reports that three group divisions have performed well in the circumstances and with the exception of Rosedale the profits for the full year to April 30 will not be substantially different from the previous year. The first half contributions to profit before non-recurring losses were: engineering £97,000 (£81,000); consumer goods £114,000 (£103,000); and specialised building £151,000 (£220,000).

Rosedale has been reorganised and considerable action has been taken to curtail its losses. The group has been isolated from further cash effects of the Rosedale losses, members are told.

The current year has seen the run down of the investment banking and property division activities and this will not detract from either a cash drain or a loss-making burden. Non-recurring losses of £95,000 on investment banking and £20,000 on the Bounds Green development have been provided.

The major problem in the six months has been the group's heavily borrowed position. The Havelock Cable Glands was completed, while the lease on £550,000 and HS has recently completed the majority of its major development at Bounds Green in Haringey Council for £1.25m.

These sums have reduced borrowings considerably. In addition the board is currently considering offers of long-term funding which will further reduce short-term borrowings.

These measures have and will strengthen the group's financial position and will enable it to concentrate on the development of the three main operating divisions, states the chairman.

In order to protect profits a major review of overheads and stock levels is going on and, while actions taken to date has had a substantial adverse effect on current year profits, benefits will be experienced in the future.

Heenan is not paying an interim dividend. Total for 1973-74 was 1.4p paid from attributable profits of £30,000.

Including stock losses of £25,000 Rosedale reported a group loss of £1.07m. for the first half of 1974-75, compared with the same 1973-74 period. Losses on commercial trading amounted to £350,000 and there was a further £10,000 in respect of under-recovery of overheads on sales made to maintain levels.

Mr. Innes explains that the trading losses arose from disrupted production arising from delays in the move into Bedwas, the effect of inflation on costs and the major destocking by wholesale customers and the retail trade. A major review of stockholdings has been undertaken and substantial write-offs made.

The transitional costs incurred in connection with the move and carried forward from 1973-74 of £15,000 have been written off in the first half and the cost of re-

are some signs of a pick-up on the chemical side; so with export sales—up 22 per cent. last year—still pushing ahead, the group should have little trouble in achieving a full recovery in pre-tax profits. The shares at 16p are yielding 11.6 per cent. covered 2.2

## Feedex up 25%—sales top £10m.

PRE-TAX profits of Feedex, makers of animal feeds and agricultural machinery, pig producers, etc. rose by 25 per cent. from £465,000 to £584,000 in 1974.

Group external sales rose by 40 per cent. for the year to new record, lifting the £10m. mark for the first time.

Earnings per 10p share are shown as 5.89p against 3.04p and a final dividend of 0.685p lifts the net total to 1.17p from 1.0825p.

External sales ..... 1974 £10,186 1973 £8,909  
Profit ..... 583 468  
Tax ..... 288 254  
Dividends ..... 24 24  
Attributable ..... 25 26

### • comment

After an impressive first-half performance, Feedex turned in a steady and moderate rate of growth in the latter part of the year. To a certain extent this relates to the seasonal effect produced by irregular inflows of grain, and an indifferent performance from Taylors, an agricultural engineering subsidiary. However, in the current year profits are expected to move ahead. Agricultural machinery sales show indications of picking up, while the pig unit could dull the trend again as the price of pigs has moved up against reduced barley costs, and so not only is Feedex's own pig-producing operations that much more profitable, but the animal feed side benefits as its pig-producing customers expand. Meanwhile net borrowings, even after capital expenditure of £433,000, are fairly similar to those of the previous year, £409,000, and the assets which have risen to £1.7m. while the yield at 24p is 3.4 per cent. covered nearly 5.4 times.

Statement, Page 3

## Second half downturn at Feb

DESPITE A rise in external sales from £7.02m. to £7.36m., taxable profits of Feb International fell from £307,000 to £293,000 in 1974 after interest charges up from £73,000 to £107,000.

At half-way, reporting profits up from £183,000 in £204,000, the directors said that, unless there was a substantial drop in sales in the last quarter, full year profits would show a "useful improvement over 1973."

Full year earnings are shown to have fallen from 3.14p to 2.89p per 10p share. The dividend is lifted from £1.33p net to the maximum permitted £1.33p net with a final of 0.66p.

## Heenan Spark setback

The group manufactures chemicals, decorative finishes, and fixing devices for the construction industry, and acts as suppliers to the building, plumbing and D.I.Y. markets.

REFLECTING PROVISIONS for non-recurring losses totalling £205,000 and the group's share of £30,000 of the half year loss by the subsidiary Rosedale Industries, Heenan Spark has turned in an attributable deficit of £674,000 for the six months ended October 31, 1974, compared with a surplus of £673,000.

Excluding Rosedale, the group profit before tax was £252,000, compared with £68,000.

Chairman Mr. D. Innes reports that three group divisions have performed well in the circumstances and with the exception of Rosedale the profits for the full year to April 30 will not be substantially different from the previous year. The first half contributions to profit before non-recurring losses were: engineering £97,000 (£81,000); consumer goods £114,000 (£103,000); and specialised building £151,000 (£220,000).

Rosedale has been reorganised and considerable action has been taken to curtail its losses. The group has been isolated from further cash effects of the Rosedale losses, members are told.

The current year has seen the run down of the investment banking and property division activities and this will not detract from either a cash drain or a loss-making burden. Non-recurring losses of £95,000 on investment banking and £20,000 on the Bounds Green development have been provided.

The major problem in the six months has been the group's heavily borrowed position. The Havelock Cable Glands was completed, while the lease on £550,000 and HS has recently completed the majority of its major development at Bounds Green in Haringey Council for £1.25m.

These sums have reduced borrowings considerably. In addition the board is currently considering offers of long-term funding which will further reduce short-term borrowings.

These measures have and will strengthen the group's financial position and will enable it to concentrate on the development of the three main operating divisions, states the chairman.

In order to protect profits a major review of overheads and stock levels is going on and, while actions taken to date has had a substantial adverse effect on current year profits, benefits will be experienced in the future.

Heenan is not paying an interim dividend. Total for 1973-74 was 1.4p paid from attributable profits of £30,000.

Including stock losses of £25,000 Rosedale reported a group loss of £1.07m. for the first half of 1974-75, compared with the same 1973-74 period. Losses on commercial trading amounted to £350,000 and there was a further £10,000 in respect of under-recovery of overheads on sales made to maintain levels.

Mr. Innes explains that the trading losses arose from disrupted production arising from delays in the move into Bedwas, the effect of inflation on costs and the major destocking by wholesale customers and the retail trade. A major review of stockholdings has been undertaken and substantial write-offs made.

The transitional costs incurred in connection with the move and carried forward from 1973-74 of £15,000 have been written off in the first half and the cost of re-



Mr. John D. Sainsbury, chairman of J. Sainsbury.

Conrad McCarthy

Dividends Announced

Current payment

Date of payment

Corresponding for last year

Total last year

Attributed Income ..... 4.33 1974-75

Attributed Capital ..... 1.22 1973-74

Baird (William) ..... 0.04(2) 1974-75

Boosey and Hawkes ..... 1.05 1973-74

Continental Union ..... 1.23 1973-74

Crowther and Nicholson ..... 1.23 1973-74

Drayton Con. Trust ..... 1.23 1973-74

Duvalst ..... 1.24 1973-74

F. W. Evans ..... 0.58 1973-74

Feb International ..... 0.66 1973-74

Feedex ..... 0.68 1973-74



# Prudential's growth prospects

THE GOOD rate of growth achieved in the Prudential Assurance life business in 1974 has continued so far this year and should be reflected in an increased transfer from the life funds to the Profit and Loss account this year—the transfer would be further increased if a fall from the high level of interest rates ruling at the end of last year made it appropriate to value the liabilities of our life branches on lower interest bases.

The larger part of shareholders' dividends is attributable to the life business.

This is stated in a letter to shareholders being posted today in connection with the arrangements to raise about £46m. by the issue of rights shares at 45.45p per share, to be offered to holders registered May 2.

The letter adds that there are "welcome" signs of more realistic premium rates for non-life business in a number of countries. Furthermore, on past experience, a series of catastrophes such as those which have affected the oil market on the 1974 results occurs only rarely. Expansion of the investment income of the non-life funds is expected to continue.

In the absence of unforeseen circumstances, the directors expect to declare for the year 1975 dividends on the increased capital totalling at least the 5.072p per share declared for 1974.

The offer price is payable in full on Thursday June 19.

The issue has been underwritten by J. Henry Shrader Wagg and Co. Brokers to the issue are Cazenove and Co., Rowes and Pitman, Hurst-Brown and Parsons and Co.

The directors consider there are substantial opportunities for profitable growth of the Group, and for the extension of operations, some of which are the "great strength" of the life branches is ample to provide for the expansion of the Prudential's own life business, but the expansion of the non-life business and of the activities of other Group companies can be financed only from a sufficiently large capital base, they explain.

Apart from requirement to support expansion of non-life business in real terms, further demands for finance arise from current high rates of interest.

There are also an additional demand for finance arising out of new insurance legislation which affects the value which may be placed upon subsidiaries in calculating asset requirements of non-life business.

In the accounts for 1974 the company's non-life surplus assets were 37 per cent of premium income. At present, in spite of the rise in security values that has taken place, this ratio computed on the new statutory basis stands

## BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of discussing official indications are not available, whether dividends concerned are interim or final, and the sub-division of dividends, based mainly on last year's timetable.

Interiors—Davidson, Brewery, Merchant Investment Trust, National Bank of Australia, RCF Holdings, White Drummond, Australian Electric and General Trust, Automotive Products, Baker Perkins, Bank of Ireland, Benson International, British Gas, Caledonian Gas, Clarke, English and Caledonian Investments, Fortnum and Mason, Thomas Jourdan, London Bus, Lindsay and Partners, London Investments, NET, Roberts, Aldard, Silvermine.

FUTURE DATES

Barclays Investment Trust May 12

Corporation of Northern Finance Corp. May 13

Grange Investment Trust May 13

Investment Trust Corp. May 13

Investment Hotels May 13

Tabac Chemical Industries May 9

Young Companies Invest. Trust. May 13

at approximately 21 per cent. For the group as a whole the corresponding ratio would be somewhat less.

The directors consider these asset margins should be raised, with the proposed increase in shareholders' funds they will have no need to restrict the natural growth of the Group but will instead have scope to further its development.

The issue will be subject to approval at meetings on May 28, 1975, of an increase in the authorised capital and an amendment to the Articles to permit payment of dividends out of the provision of allotment letters will be posted May 29 and that dealings will commence (nil paid) on the following day.

It is proposed to alter the Articles so that certain operations will conform with the provisions of the Insurance Companies Act 1974. One principal requirement is the statement of assets appropriate to life and other long-term business from other assets.

Such a separation is made within the Prudential but its lines of separation do not conform exactly with the new legislation.

For example, certain business transacted in the General branch, such as permanent sickness and sinking fund business, is by legal definition long-term business. This will be reflected in allocating the priority of claims when policyholders had against assets from that laid down in the Articles.

The directors are proposing to assemble all provisions relating to long-term business into a separate section of the Articles where there will be three long term branches—industrial, ordinary and long-term general.

The new Articles will preserve

the rules governing the split of profits between policyholders and shareholders, and do not represent any departure in the way the business is conducted. Articles dealing with short-term business will follow a similar pattern to that of the long-term.

The Pru is also seeking an increase in directors' remuneration, the amount of £120,000 to £160,000, but this has not been increased since January 1, 1971. See Lex

## Sandeman not very optimistic

LOOKING TO the immediate future, Mr. T. W. Sandeman, chairman of Geo. G. Sandeman Sons and Company, says he finds it hard to be optimistic.

In Portugal the group made a good profit last year, largely due to the sales of older wines which stood in the books at low cost, but the chairman is sure that the profit will be considerably lower this year owing to the very high cost of recent vintages.

The group could be making a loss in West Germany, but even here a material upturn is not expected.

As reported April 24 group pre-tax profits increased from £35,337 to £607,391 in 1974. The chairman says the results were achieved during a year in which restrictions on margins were imposed.

Total shareholders' funds at December 31, stood at a record £288,507, including net current assets of £57,245. One month ago, he held on short-term deposit at bank and in hand and since that date the liquid position has shown "considerable further improvement".

Meeting, Connaught Rooms, W.C. May 30, at noon.

## Oxford Trust advance

On a gross income of £198,532, against £193,127, pre-tax revenue of The City of Oxford Investment

Trust was £140,762, compared with £142,481 previously, for the year to March 31, 1973.

Net asset value per 25p share is shown to be 43.4p compared with 52.7p.

Tax takes £55,681 (£50,722), leaving £94,044 (£81,159). The dividend total is 2.25p net against 2.10p.

It is proposed to raise the on the enlarged capital.

MR. J. CANDEN, chairman of group's borrowing limit to £104m. Ready Mixed Concrete tells members that the policy of consolidation and selective expansion introduced at the end of 1973, will be continued until such time as the business is conducted. Articles dealing with short-term business will follow a similar pattern to that of the long-term.

The Pru is also seeking an increase in directors' remuneration, the amount of £120,000 to £160,000, but this has not been increased since January 1, 1971. See Lex

These investments ensure that the group has the productive capacity to take maximum advantage of the eventual upturn in demand.

The chairman reports that another mild winter throughout Europe led to a higher level of activity than anticipated at the beginning of 1975, but this improvement has not been maintained.

Against the present background of uncertainty he feels it would be unwise to make firm predictions for the future, but indications are that trading conditions in many of the group's areas of operation may well be even more difficult in 1975 than in 1974. An important exception could be West Germany, but even here a material upturn is not expected.

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Meeting, Great Eastern Hotel, E.C. May 30 at 11 a.m.

The chairman explains that first-half profits at £540,000 were on target, but as margins exceeded the reference levels prior to being pegged in the second half and this effectively halved the chairman's profit for that period.

An analysis of turnover—£3,62m.—and profit shows: fluorocarbon products and fibre reinforced composites (£3.9m.) and £457,000 (£440,000); and industrial strength textiles (£2.0m. (£2.1m.)) and interest payable (£26,000 (£115,000)).

Meeting, Manchester, May 30 at 12.30 p.m.

Chairman's statement, Page 10.

## Confidence at Home Charm

MR. G. FOGEI, chairman of Home Charm, is confident that the home improvement market, in which the group holds a strong position, will continue to expand, and the group will be able to reap the benefits of the years of growth that lie ahead.

In a period of rising labour costs, more householders are turning to DIY. To meet the increased demand, manufacturers are continually improving and producing products to enable householders to carry out their own renovations and home improvements, the chairman points out.

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The chairman explains that first-half profits at 1975 are 16 per cent up on the equivalent period last year, in spite of a delay in the pre-budget activity which boosted trade in March of 1974. More significantly, in view of the post-budget experience of 1974, margins are now improving.

Group borrowings were reduced from £2.6m. to £2.1m. during the year, reducing the debt to equity ratio from 154 to 46 per cent. This improvement was achieved without restricting plans for expansion.

As reported on April 28, turnover increased from £18.24m. to £16.51m. in 1974, but taxable profits fell from £1.9m. to £1.02m. The dividend is 3.35p (4.43p) net.

Mr. Smith explains that the considerable reduction in profit reflects the cost of maintaining an economic level of business during most difficult period. Nevertheless, a sound liquid asset position has been achieved.

The group specialises in consumer electronics and Hi-Fi retailing.

Meeting, Churchill Hotel, W.C. May 30 at 3 p.m.

Chairman's statement, Page 10.

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Chairman's statement

## FARMING AND RAW MATERIALS

## Commodity price falls predicted

By John Edwards  
FURTHER moderate decline in commodity prices, with the notable exception of copper, is forecast by London stockbrokers A. & A. Scrimgeour in a report it yesterday reviewing the Outlook for Commodities.

Overall it forecasts commodity prices in end-1975 to be some 15 per cent below the last quarter of 1974, although it is hinted out that prices could possibly fall sharply through the summer months before recovering in the last quarter. Looking further ahead, 1976 is forecast likely to be a year of modest price rises, with overall prices around 5 per cent higher in the last quarter than the last quarter this year.

Compared with price levels on April 21, this year, declines are forecast by the end of the year for all the commodities mentioned with the exception of copper, where an increase is anticipated. The biggest percentage falls are predicted for zinc and aluminium.

Forecasting commodity prices is always a hazardous exercise. Last year's predictions are fairly accurate, however, for copper, zinc, rubber and wheat, but well off target for silver, lead, sugar, U.S. wheat and barley.

This year's predictions for end-1975 (prepared in conjunction with Commodity Analysis) are: copper \$625 a tonne; zinc \$2,500; lead \$190; zinc \$275; silver \$150; nickel \$1,600 and aluminium \$250. For "soft" commodities the forecast is coffee \$275; cocoa \$420; rubber 250 a kilo; sugar \$150; oil 150 per kilo; cotton 40 cents a lb; American No. 2 hard inter wheat \$55; English mill wheat \$50; and EEC barley 45.

## Sharp rally in cocoa

By Richard Mooney  
SHARP technical rally in cocoa prices following the recent decline left July position on the London Commodity market \$16.25 higher at \$465.75 a tonne at the close yesterday. Earlier the July price had reached a peak of \$474. The change in sentiment was signalled on Tuesday when prices rallied to finish only marginally lower after being down quite significantly earlier in the day. Yesterday's opening saw a continuation of this trend and with stop-loss buying encouraging the rise, a "limp-up" situation was reached in the afternoon.

The market then fell back sharply, however, in the face of heavy trade selling on both sides of the Atlantic, before speculators buying lifted prices again near the close.

## Producers differ on rubber stock size

BY OUR OWN CORRESPONDENT  
THE MEETING of the Association of Natural Rubber Producers of Countries (ANRPC) ended its second day of discussions on rubber price stabilisation, to-day with Malaysia and Indonesia still in disagreement over the size of the proposed international rubber stockpile. But delegates reported good progress on the identification of the sources for financing the stockpile.

Conference sources say the Malaysians are proposing a 260,000-ton stockpile (equivalent to 10 per cent of current world natural rubber production). The Indonesians want a much smaller stockpile which will be easier to finance. As well greater negotiations have been given the task of the ANRPC on the offers.

## COMMODITY MARKET REPORTS AND PRICES

BASE METALS  
COPPER—Higher on balance on the London Metal Exchange. Prices opened on a firm note but after touching \$15 forward market, the market fell back on heavy trade selling. At the lower level the weakness of sterling prompted fresh interest and this coincided with an increase in the U.S. dollar which pushed the price back up to \$15.65 before it ended at \$15.75 on the afternoon Kort. turnover \$3,500 tonnes.

Amalgamated Metal reported that in the morning, cash withdrawals traded at \$15.65, while the spot market was \$15.75. Cathode: cash \$15.75, three months \$15.80, 38. Kort: cash \$15.75, three months \$15.80. Afternoon: cash \$15.75, three months \$15.80, three months \$15.85 to \$15.86.

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## INTERNATIONAL COMPANY NEWS + EURO MARKETS

# Bayer expects 15% drop in earnings this year

By JOHN WICKS

TURNOVER AND profits of the Bayer group are likely to be lower this year than in 1974, amounting to 15.8 per cent. to DM18.87bn. around DM1.85bn., of which some \$100m. in the U.S. Despite a slight fall in parent-company after-tax profits last year by 1.8 per cent. to DM392m. (395m.), the Board is to recommend to shareholders a reduction of 5 per cent. of capital.

Annual profits, he indicated, might drop by some 15 per cent. in comparison with 1974.

The generally weaker market conditions of the fourth quarter of 1974 continued into this year, said Professor Gruenewald.

World sales were lower by 9.2 per cent. in the first three months of this year than for the corresponding 1974 quarter at DM4.22bn. (4.76bn.), the decline for the parent company being one of 14.6 per cent. to DM2.08bn. (2.44bn.) in turnover and of 34.1 per cent. to DM69m. (88m.) in after-tax profit. Only the fibre sector was in the red for the first quarter of 1975, however, said Professor Gruenewald, who added that results for the year as a whole should be better than those for January-March, with a "certain compensation" anticipated in the fourth quarter.

Had exchange rates remained unchanged last year, he said, world turnover would have totalled some DM19.6-19.7bn., as had been forecast last autumn.

The rise in turnover was due to the incorporation of the Metzeler group of companies into group figures and to the adjustment of sales prices to meet increased raw-material costs.

For the world group as a whole, there was no growth in actual sales volume, rises in such sectors as organic and inorganic chemicals, agrochemicals, pharmaceuticals and rubber were cancelled out by the fall in tonnage sales of plastics and coatings, polyurethanes, paints and dyes.

But the Metzeler group of companies continued to burden Bayer group results. Losses last year of the three companies Metzeler Kautschuk, Metzeler Schau and Correcta-Werke were of some DM200m. and Bayer Ag had to spend DM246m. on reorganisation measures for Metzeler. Losses are to be kept at a minimum on the part of have been channelled into the

## Rosenbaum remanded on £825,000 bail in ICB case

By DAVID EGLI

THE MANAGING director and Intercredit Trust, based in Liechtenstein and controlled by Mr. Tibor Rosenbaum. This money is said to be used to help finance the purchase of management shares by the ICB from the ICB's hunting estate in Ostia, South of Rome. Despite the fact that development work could not be obtained for this land, Intercredit is alleged to have written up its book value from \$8m. to \$90m. within a period of seven years.

It was charged in court that the managers of the International Credit Bank were for a large part in a highly speculative real estate venture, while its deposits were essentially on short term.

As early as 1967, it was claimed, the Swiss banking authorities ordered the ICB to divest itself of certain long-term investments and it was at that stage that the pattern of thinly-capitalised trusts and corporations controlled by Mr. Rosenbaum, were set up.

### Unions cool to new Boussac textile chief

By Giles Merritt

PARIS, May 7. THE FUTURE of "cotton king" M. Marcel Boussac's publishing empire to-day seemed increasingly unsure following reports that trade union representatives inside the group have greeted with undisguised "reserve" the appointment of 47-year-old M. Jean-Claude Boussac as head of the chief textile concern.

His promotion as President of the Comptoir de l'Industrie Textile de France (CITF) holding company was confirmed yesterday by 86-year-old Marcel Boussac amid a fresh spate of rumours that the move could herald the last phase of the financially ailing group.

Nephew and heir apparent to Marcel Boussac, M. Jean Claude Boussac, succeeds M. Claude Alain Sarre who last month resigned from CITF because of Marcel Boussac's refusal to endorse his sweeping "restructuring" of the Boussac group. The rescue plan devised by M. Sarre was intended to safeguard the Boussac group's 15,000 employees but it also entailed management reorganisations that would reportedly lead to M. Jean Claude Boussac's own resignation.

## Italian groups lead in chemical investment

By RAY DAFTER

ITALY has emerged as the biggest growth area for chemicals production in Europe.

A survey to be published to-morrow (Friday) shows that the total value of chemical projects completed or in hand in Italy over the past 12 months is \$2.3bn., a rise of 71 per cent.

The level of investment is a record for any survey, conducted by the industry journal Chemical Age. It beats the programmes of West Germany, France, the U.K. and the Benelux reported in earlier surveys.

Some of the strong growth can be attributed to "catching up" process. With several years of low profitability the Italian third with \$1.6bn. worth.

## United Kingdom fire and special perils insurance

### Reinstatement cover for industrial & commercial buildings, plant and machinery

Current levels of inflation and uncertainty as to future costs create difficult problems for policyholders in the assessment of sums insured which—in order to avoid reduction of loss settlements by the operation of Average—must include adequate provision for future inflation occurring between the date of damage by an insured peril and completion of reinstatement.

In order to give policyholders the best possible assistance for such time as the problem remains, the members of the Fire Offices' Committee announce a temporary amendment to all those Fire and Special Perils policies which are subject to the Reinstatement Memorandum. This decision has been reached following full consultation with a number of the leading firms of national insurance brokers.

In the case of losses occurring on or after the 1st May, 1975 which, at the option of the policyholders, are settled under the terms and conditions of the Reinstatement Memorandum, Average will operate only if the sum insured by the relevant item of the policy is less than 85%—instead of 100%—of the full reinstatement value of the whole of the property thereby insured. The amended and less stringent Reinstatement Average Clause is shown at the foot of this announcement.

In the case of losses settled on the basis of indemnity, i.e. of the value of the property at the time of its destruction or damage, the application of Average will continue unchanged.

Leading independent companies have agreed to follow the action of members of the Fire Offices' Committee, where they participate together on Schedule insurances. Lloyd's underwriters have been approached for their support.

Policyholders are urged to regard the amended Reinstatement Memorandum as providing a safety margin against unforeseen circumstances in the future both in relation to increased values and possible delays in the actual reinstatement of damaged buildings and plant. To ensure full protection it continues to be essential that sums insured be regularly reviewed and maintained at a realistic level.

As an alternative to the foregoing an entirely different approach to the problem has been developed for those policyholders who base their sums insured on professional valuations or who would be prepared to do so in future. This is expected to be of particular interest where provision for a prolonged reinstatement period is necessary. Full details can be obtained from member companies of the Fire Offices' Committee or from your broker.

#### REINSTATEMENT AVERAGE CLAUSE

Each item insured under this memorandum is declared to be separately subject to the following Condition of Average, namely:

If at the time of reinstatement the sum representing eighty-five per cent. of the cost which would have been incurred in reinstatement if the whole of the property covered by such item had been destroyed exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any destruction or damage to such property by any other peril hereby insured against, then the insured shall be considered as being his own insurer for the difference between the sum insured and the sum representing the cost of reinstatement of the whole of the property and shall bear a ratable proportion of the loss accordingly.

## Fall in Fiat output anticipated

By Anthony Robinson

ROME, May 7. UMBERTO AGNELLI, the managing director of Fiat, estimates that Fiat car production this year is likely to be around 1.1m. units compared with 1.37m. last year. Truck output is also expected to be some 10,000 lower at 75,000.

Last year Fiat was able to continue production on a regular basis until the autumn thanks to the large backlog of orders which had accumulated. But from October, Fiat, like other motor companies, has reported a substantial short-term working. This is regulated by agreement with the trade unions in relation to stock levels and regular consultations covering investment, market trends and other factors. This agreement, together with a minimum wage and full employment guarantee, has enabled the recession to be managed with a considerable degree of labour co-operation.

Recently, however, workers on some best selling models, such as the recently introduced Fiat 131 Mirafiori model, have called a series of sporadic strikes in protest against the tight work schedules introduced on these lines.

A more serious problem, however, concerns Government delay in getting its much vaunted crash housing and construction programme off the ground.

The investment of £3,000m. in cheap workers' housing and other construction projects has been announced by the Government in an attempt to offset the serious recession in the building industry where unemployment is rising sharply.

Administrative and political delays in getting this programme off the ground are reflected in lower demand for trucks, cement and a range of construction related industries.

The situation led Giovanni Agnelli, chairman of Fiat and president of the employers' federation Confindustria, to complain bitterly at yesterday's annual meeting of the Construction Industry Association of "a wide gap between Government promises and reality."

### Beijerinvest doubles profit

By William Dullforce

STOCKHOLM, May 7. BEIJERINVEST, the fast-growing Swedish trading and industrial concern, shows a doubling of pre-tax profit from Kr.42m. to Kr.85m. (8.9m.) and a rise in turnover from Kr.1.1bn. to Kr.2.5bn. (€285m.) in its final report for 1974. The accounts cover companies in which Beijerinvest has more than 50 per cent. of the share capital, but do not include the Pribor group, with which Beijerinvest is merging, increasing its anticipated total sales this year to over Kr.4.2bn.

The concern's trading companies accounted for 72 per cent. of the turnover and Kr.82m. of the pre-tax profit, while the industrial companies provided 21 per cent. of sales and Kr.23m. in profits. The profit figure includes just over Kr.5m. in inventory gains.

After transferring Kr.65m. to the inventory reserve, the report shows a consolidated net income of Kr.6.8m. compared with Kr.17.4m. in 1973. The parent company reports a net income of Kr.8.1m. and the Board proposes to pay a dividend of Kr.5 per share against Kr.3.50 in the previous year.

Its share of the domestic car market has improved steadily over the last six months, the company said, moving from an average of just over 3 per cent. in the first quarter to 4.8 per cent. in the second and was 5.5 per cent. for April.

Excluding the Pribor group, Beijerinvest foresees an unchanged profit this year, anticipating a drop of about Kr.20m. in earnings from trading and a compensatory increase of the same size from the industrial companies.

### Price rises boost LKAB

By William Dullforce

STOCKHOLM, May 7. LKAB, Sweden's state-owned mining concern, increased its pre-tax profit from Kr.2.2m. (€38.5m.) in 1974 due principally to a rise in ore prices averaging 25 per cent. over the year. Turnover grew by 37 per cent. to Kr.2.8bn. (€215m.) and ore deliveries rose by 1.6m. tons to a new annual record of 31.2m. tons, of which 29.7m. were exported through Narvik and Luleå.

Stocks had to be run down to meet demand, as production at 30m. tons fell about 2m. tons short of target, principally because of technical factors and a few wildcat strikes. Profits would have been even higher, had not stoppages on the railway to Narvik cut the amount of ore carried by 1.3m. tons.

As an alternative to the foregoing an entirely different approach to the problem has been developed for those policyholders who base their sums insured on professional valuations or who would be prepared to do so in future. This is expected to be of particular interest where provision for a prolonged reinstatement period is necessary. Full details can be obtained from member companies of the Fire Offices' Committee or from your broker.

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## Kloeckner outpaces competitors despite 21% orders decline

By GUY HAWTHORN

ROME, May 7.

KLOECKNER-WERKE, the Government and Bundesbank important Ruhr steel concern, estimates would be sufficient to get the economy moving.

In the steelmaking sector, growth depended on the stock position of the industry's customers. An improvement in rolled steel demand seemed more likely.

Dr. Herbert Glenow, Kloeckner's chief executive, told the annual meeting in Duisburg that the backlog of orders had accumulated.

But from October, Fiat, like other motor companies, has reported a substantial short-term working.

This is regulated by agreement with the trade unions in relation to stock levels and regular consultations covering investment, market trends and other factors.

This agreement, together with a minimum wage and full employment guarantee, has enabled the recession to be managed with a considerable degree of labour co-operation.

Recently, however, workers on some best selling models, such as the recently introduced Fiat 131 Mirafiori model, have called a series of sporadic strikes in protest against the tight work schedules introduced on these lines.

The decline in orders registered

for 1974 of 17 (16) per cent.

The fall in profits was actually

larger than the special factors of

DM250m. will be spent on the

parent company after-tax profits last year by 1.8 per cent. to DM392m. (395m.). The annual meeting will also be

asked to sanction the creation of DM300m. approved capital and the limitation of voting rights to 5 per cent. of capital.

For some two-thirds of turnover

it was not expected that earnings would improve sufficiently for the concern to break even during the current year. The question, therefore, is the size of the even-

turnover loss.

Operating losses, attribut-

ed mainly to an increase in

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Thursday May 8 1975

## كتاب الأصل

# PACKAGING

Today's packaging practices were largely developed during a period of cheap energy and a time of abundant raw materials. But it is clear that the Government now sees it has a duty to reduce the waste of energy or materials and that these practices will therefore have to be re-examined.

# Trying times all round

"unnecessarily elaborately packaged." Secondly, people should have the right to be consulted when acceptable standards are being devised and finally, once acceptable standards have not been set, people should be free to choose whether they should pay more for packaging which exceeds those standards.

those standards.

Mr. Robert MacEwan, Parliamentary Under Secretary of State for Prices and Consumer Protection, had this to say recently: "While standards of hygiene, quality and efficiency must be maintained it may prove that there will be a need for a combined effort to model test alternative methods of bottling and packaging with a view to bringing costs down.

"There is also a need for the

"There is also a need for the trades to give the consumer much more information about the proportion of costs covered by packaging. This will both strengthen consumer choice and remove any exaggerated fears."

## Debate

*Flow confectionery and meat products are packaged at high speed on this Röse Forgrave 350 "Flourpak" machine.*

whom are now urgently seeking ways of cutting costs, will undoubtedly be hearing more of in the future. But whether it can be of any assistance during the current depressed economic conditions is open to question.

tion in the production and use of glass containers, aimed at preparing a model of energy use from the extraction of raw materials, through production, filling and distribution to final disposal. This, it suggests, will

conditions is open to question. Looking briefly at the various sectors, glass manufacturers have experienced a violent swing from great shortages of containers to a situation of over-supply. As with packaging disposal. This, it suggests, will enable container manufacturers and users to isolate major areas of energy consumption and take action to conserve it. Findings are expected by the end of the year.

over-supply. As with packaging board manufacturers, many of whom have mills operating at 60 per cent. of capacity, glass producers have been faced with a massive destocking operation by retailers of food and drink.

These two industries showed remarkable similarities in market conditions last year, with demand remaining flat.

The industry's approach to the avoidance of waste is, broadly, through the design of the most effective packaging. In other words, it intends to continue the process of weight and cost reduction which has been taking place in the packaging field over the last 25 years. With

ket conditions last year, with demand reaching a peak during the summer, only to fall disastrously in the final months of the year. Now they are both faced with mounting stocks and the inevitable pressures to reduce prices, which they are resisting strenuously. The dangers in this policy need not be explained, as it is a familiar story.

field over the last 25 years. With certain packaging media, such as glass and metal, as well as corrugated board, the process of making less go farther has held costs down because of the technological advances in design over the last 20 years.

It has also been possible to reduce the weight of packaging

reduce the weight of packaging by switching from one medium to another, such as plastic crates instead of steel or wooden ones, paper sacks instead of jute, and so on. The list is long but in each case other variables in the distribution system need to be changed—the handling methods, the display system and the strength and type of outer packaging. In the past, designers have always been concerned to achieve an overall minimum cost and technology has generally been directed towards this end. But it is clear that in future, design may have to achieve savings by both redefining and taking greater account of the needs of

## Competitive

Returning to the effects of energy prices, the plastics industry was seriously concerned about the competitiveness of its packaging products last year. Until studies showed that all materials had been affected by the price of feedstock. The price of fibre, for example, rose extremely rapidly, a factor which has caused considerable problems for manufacturers of paper bags, whose competitive position has been eroded.

The Glass Manufacturers' Federation has commissioned a

list is long but in each case other variables in the distribution system need to be changed—the handling methods, the display system and the strength and type of outer packaging. In the past, designers have always been concerned to achieve an overall minimum cost and technology has generally been directed towards this end. But it is clear that in future, design may have to achieve savings by both redefining and taking greater account of the needs of the customer.

**Lorrie Barling**

# JOIN OUR NATIONAL SAVINGS SCHEME

A high-contrast, black and white photograph of a person from the side, holding a book open. The book is open to a page with a grid of text, likely a crossword puzzle. The person is wearing a dark shirt and light-colored pants. The background is dark and indistinct.

# THE PAPER TIDY

For immediate action, telephone Hatton 23326.

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## PACKAGING IV

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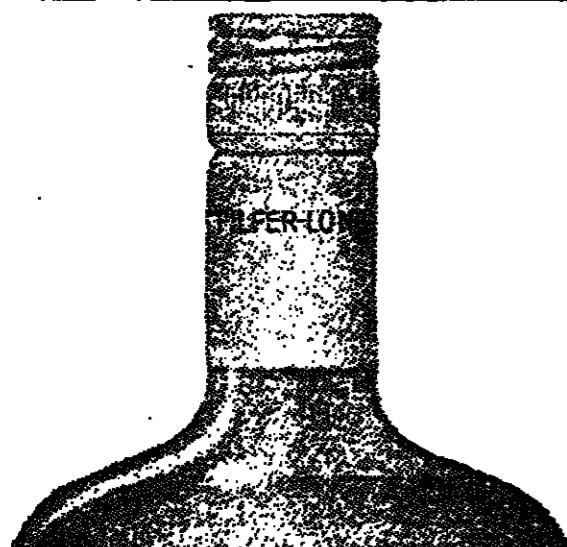
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# Board makers still anxious

THE QUESTION uppermost in the minds of companies manufacturing packaging boards is simply, when will the market turn? Having experienced the sharpest and most damaging fall in demand ever experienced at the end of last year, and with strong statistical evidence that there is an underlying shortage of capacity, there is understandable anxiety.

Many producers in the U.K. where mills continue to operate at around 60 per cent. of capacity, and in Scandinavian countries, which are heavily dependent upon the European market, now believe that the effects of destocking should end very soon and that demand should pick up considerably in the autumn.

In the meantime, the debate over price levels is likely to become more heated, with those who remember the previous downturn arguing forcibly that in today's inflationary conditions it is suicidal to reduce prices, which in any case is unlikely to affect overall demand. Nevertheless, once it becomes known that one company is offering discounts, it may be hard to stop others following suit.

### Problems

The paperboard packaging market in this country must, however, be seen in the context of world supply and particularly in relation to Scandinavian countries. Needless to say, their problems have been no less severe than those of domestic producers, despite the tremendous price increases and a near-capacity output for a large part of last year.

On the subject of prices, Mr. Frank Parry, marketing director of Thames Board Mills and chairman of the Association of Board Makers, pointed out recently that overall industry profitability is the key issue. He said that additional capacity is required in the medium and long term can only be provided if prices provide a reasonable return on capital investment required. In recent years the industry worldwide had not the mills' backlog of orders or the equivalent of £14m. exactly earned a good reputa-

tion. Profitability may have improved over the past few years, due to higher volumes, but the industry believes that it must improve still further both at home and overseas, if future growth in demand in packaging boards is to be satisfied. Packaging producers are urged to understand that in weak market conditions, chasing volume at lower than economic prices is not the road to profit.

Furthermore, Mr. Parry has

pointed out that buyers of packaging must also understand that if he does succeed in achieving uneconomic prices from his suppliers, both will eventually pay the penalty.

The view of the present

Association (or Finnboard) has

been that consumption in 1974, while export value increased by about 60 per cent. actually fell.

Undoubtedly the key to future development of the paper and paperboard industry in this country and worldwide will revolve around its price levels. In short, the industry must prove that it can improve on its past performance, but this can only be achieved if short-term fluctuations in demand can somehow be avoided. It is arguable that by giving priority to profitability rather than volume this may be possible.

In recent years both board producers and converters have fallen into the trap of chasing volume with the result that the end user has bought his packaging at prices which have given an inadequate return to the supplier, a position which many regard as untenable in the longer term and certainly not a sound base from which to expand.

This problem, it is argued, has been further compounded over recent years by the effects of price control and inflation.

Nevertheless, once it becomes known that one company is offering discounts, it may be hard to stop others following suit.

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**SAB THE SOUTH AFRICAN BREWERIES LIMITED** (Incorporated in the Republic of South Africa)

**PRELIMINARY RESULTS AND FINAL DIVIDENDS FOR THE YEAR ENDED 31ST MARCH, 1975.**

**Income**

Profits subject to final audit and adjustments for the year ended 31st March, 1975 compared with those for the year ended 31st March, 1974, are as follows:

	1975	1974
Turnover:	R'000	R'000
Trading Surplus	79,060	58,450
Dividend Income	5,230	5,060
	84,290	63,510
Interest Paid—Net	(13,780)	(5,630)
	70,510	57,880
Taxation	(23,350)	(20,660)
	47,160	37,220
Attributable to outside Shareholders in consolidated subsidiaries	(10,580)	(8,400)
Operating income attributable to The South African Breweries Limited	36,580	28,820
Preference Dividends	(4,320)	(1,300)
Operating income attributable to Ordinary Shareholders	32,260	27,520
Ordinary Shares in issue:		
Fully-paid	178,511,976	178,511,976
Partly-paid	1,610,000	1,610,000
Earnings per share	18.07 cents	16.28 cents

(Calculated on the number of shares in issue for the period during which they participated in the income of the Group, partly-paid shares being dealt with only to the extent they have been paid for.)

**Ordinary Dividends**

	1975	1974
2.5 cents Interim	(1974: 2.5 cents)	4,460
6.5 cents Final	(1974: 6.0 cents)	11,600
9.0 cents	(1974: 8.5 cents)	16,060

**Ordinary Shareholders' Equity**  
Ordinary Shareholders' Equity increased by R14,000,000 to R241,000,000. The increase was attributable to the transfer of retained income (R16,000,000) less other items (R2,000,000), comprising mainly the unrealised loss on conversion of a foreign long-term liability.

**COMMENT:**

**Profits**  
Earnings attributable to Ordinary Shareholders showed a satisfactory increase of R4,740,000, or 17%, to R32,260,000. Comparisons with the previous year have been distorted by virtue of the fact that the Fedstores Group was a subsidiary for only seven months of last year and in addition the financing of the acquisition only took place in the last quarter of that financial year.

**Earnings per Share**

As a direct result of the method of financing the acquisition referred to above, earnings per share in respect of last year were inflated by one cent and the Chairman, last year, referred specifically to this in his Annual Statement. The comparison therefore of this year's earnings per share of 18.07 cents with the adjusted figure of 15.31 cents for last year shows an increment of 18%.

**Turnover**

Group turnover showed an improvement of 41% but after adjusting for turnover related to Fedstores in respect of the first five months of last year the real increase was 18%. It is to be noted that this rate of increase slightly exceeded the growth in private consumption expenditure for the economy as a whole.

**Margins**

In regard to trading surplus an apparent decline in the ratio of profit to turnover is reflected. Again, if the adjustment in respect of Fedstores is made, then there is a slight improvement in the profit ratio this year.

**Finance Charges**

Net interest charges were higher than in the previous year as a result of interest on a full year's borrowings to finance the Fedstores acquisition, capital expenditure, mainly in the beer division, and higher rates of interest.

**Future Prospects**

Declining growth rates are presently being experienced in most sectors of the consumer goods industry and inflation continues at a high level. These trends are likely to continue but your directors expect some recovery towards the latter part of this year. In the event that this happens and the Group is able to contain the effects of inflation and maintain profit margins the Group should achieve a further improvement in earnings in the coming year.

2, Jan Smuts Avenue, Johannesburg, 2001.  
7th May, 1975.

By Order of the Board,  
B. C. WAIGEL,  
Group Secretary/Treasurer.

**DECLARATION OF FINAL DIVIDENDS**

NOTICE IS HEREBY GIVEN THAT at a meeting of the Board held on 7th May, 1975, the following dividends were declared payable on or about 11th July, 1975, to shareholders registered at the close of business on 30th May, 1975:

**ORDINARY SHARES**

A final dividend for the year ended 31st March, 1975 of 6.5 cents per share, which, together with the interim dividend of 2.5 cents per share paid on 27th December, 1974, represents a total for the year of 9 cents per share (last year's total dividend 8.5 cents per share).

**6.2% CUMULATIVE PREFERENCE SHARES OF R2 EACH**

A final dividend for the year ended 31st March, 1975, calculated at the rate of 6.2% per annum, for the six months ended 31st March, 1975, amounting to 6.2 cents per share of R2.

**7% CONVERTIBLE REDEEMABLE CUMULATIVE PREFERENCE SHARES OF R1 EACH**

A final dividend for the year ended 31st March, 1975, calculated at the rate of 7% per annum, for the six months ended 31st March, 1975, amounting to 3.5 cents per share of R1.

The foregoing dividends are declared in the currency of the Republic of South Africa. Warrants in payment will be posted on or about 11th July, 1975, to members at their registered addresses or in accordance with their written instructions and will be despatched from the office of the Transfer Secretaries in Johannesburg to all payees except those to whom payment will be made from the office of the London Secretaries of the Company (Barnato Brothers Limited, 27 Austin Friars, London EC2N 2EY).

Any instructions which will necessitate an alteration in the office from which payment is to be made must be received on or before 30th May, 1975.

Payments from the office of the London Secretaries of the Company will be made in United Kingdom currency calculated by reference to the rate of exchange ruling on 30th June, 1975, or at a rate not materially different therefrom.

South African Non-Resident Shareholders' Tax at the rate of 12.633%, and United Kingdom Tax will be deducted from the dividends where applicable.

The Transfer Books and Registers of Members in respect of the Ordinary Shares, the 6.2% Cumulative Preference Shares and the 7% Convertible Redeemable Cumulative Preference Shares will be closed from 31st May to 8th June, 1975, both dates inclusive.

2, Jan Smuts Avenue, Johannesburg, 2001.  
27 Austin Friars, London EC2N 2EY.  
7th May, 1975.

By Order of the Board,  
B. C. WAIGEL,  
Group Secretary/Treasurer.

**APPOINTMENTS**

**Sir John Partridge joins FFI Board**

Sir John Partridge has been appointed to the Board of FOREIGN TRADE. He succeeds Mr. Alfred F. Miosio, executive vice-president of Continental Illinois National Bank and Trust Company, Chicago.

Mr. Usman H. Milani has been appointed a vice-president of FIRST NATIONAL CITY BANK. He is assigned to City's regional office in Beirut as chief of staff for the bank's activities in the Middle East and North Africa.

Mr. A. A. Weir has been appointed a director of BARBERS RANK. He is assigned to City's regional office in Beirut as chief of staff for the bank's activities in the Middle East and North Africa.

Mr. Brian Tytherleigh has been appointed to the Board of TIME SHARING, as director and general manager.

Mr. C. E. W. Peel, Mr. D. A. Roy and Mr. M. Coley have joined the partnership of FIELDING NEWSONSMITH AND CO., stockbrokers.

Mr. David Leahy has been appointed a director of DORMER GASES, a subsidiary of Roidships.

Mr. Gordon Wingfield has been appointed secretary of OXLEY PRINTING GROUP, a financial division of Oxley International Marketing, a group subsidiary, from June 9. He is currently financial director of H. P. Dorey and Co. Mr. Gavin Kelly, secretary of Oxley Printing Group, becomes managing director of the subsidiary OXLEY WEB PRINTING.

Mr. Michael Ebdon has been appointed marketing director of Oxley International Marketing. He was previously sales manager of Waterlow (Dunstable). Mr. Victor Vincent has been appointed sales director of Oxley International Marketing from July 1. He is at present sales director for Cox and Wymans. Mr. Michael Ebdon has joined Oxley Printing Group as sales manager for South East England. He held a similar position with Garrod and Lofthouse.

Mr. K. H. Pettifor has been appointed a partner of PIDGEON, MAGUIRE AND CO. stockbrokers.

Mr. John Thorntrowborow has been appointed managing director of INTEGRATED HANDLING (SOUTHERN).

Mr. John E. Heilmann has become president of SOMERSET FARMERS, imported into the U.S. of Britain distilled spirits. He takes over from the retiring president Mr. Paul J. Burridge. Mr. Heilmann was formerly president of Seagram Distillers of Geest Industries.

Mr. John Davies has retired from the Board of PIRELLI.

Sir Robert Black has been appointed a director of BRITXTON ESTATE.

Mr. Alexander McW. Wolfe, Jr., senior vice president in the international division of The First Mr. Stephen A. Foul has been appointed secretary of NATIONAL BANK OF BOSTON, has been elected president of the INVESTMENT BANK OF

**Transvaal Consolidated Land and Exploration Company, Limited (T.C. Lands)**  
(Incorporated in the Republic of South Africa)

**INTERIM REPORT TO SHAREHOLDERS FOR THE SIX MONTHS ENDED 31ST MARCH, 1975**

**Consolidated Profit (Unaudited)**  
The consolidated results of T.C. Lands and its subsidiaries for the six months ended 31st March, 1975, together with the results for the same period last year and the results for the year ended 30th September, 1974, are given below.

**Consolidated** **Twelve**  
**Months** **Six Months Ended 31st March, 1975** **September, 1974**  
**Notes** **(R'000's)** **(R'000's)** **(R'000's)**

**Turnover** 1 16,378 11,681 24,41

**Consolidated profit before taxation** 2 7,827 6,026 10,48

**Taxation (normal and deferred)** 1,756 1,240 1,86

**Consolidated profit after taxation** 5,872 4,786 8,67

**Less profit attributable to outside shareholders in subsidiary companies** 487 278 46

**Interest of members of T.C.L.** 5,433 4,506 8,21

**Shares in issue** 7,304,238 7,304,238 7,304,238

**Earnings per share** 74.4c 61.7c 112.1

**Dividend per share** 23.0c 20.0c 55.1

**Notes**

1. Turnover is the revenue derived from the coal and timber operations of the subsidiary companies.

2. The net profit from investment realisation amounts to R1,057,000 equivalent to 14.5 cents per share for the six months. For the full twelve months ended 30th September, 1974, it was R2,857,000 equivalent to 11.7 cents per share. These figures are included in the consolidated profit by taxation.

3. In accordance with past practice, no profits arising from the sale of land in Mozambique by a subsidiary company have been included in these results.

**Interim Dividend**

An interim dividend of 23 cents per share has been declared in terms of the dividend notice published here.

**Profit and dividend prospects**

Compared with the results of the corresponding period a year ago, the working profits of most subsidiaries are higher and larger dividends were received from gold mines. As no interim dividend was declared by Rusten Platinum Mine Limited in respect of the six months ended 28th February, 1975, Union Platinum Mining Company Limited in which T.C. Lands has a large interest, was unable to declare an interim dividend in respect of its half-year ended 30th April, 1975.

It is anticipated that the level of profitability of company and its subsidiaries will continue during the remainder of the current financial year and, if this is the case, a final dividend of 42 cents per share is forecast. The press announcement on 19th March, 1975 will be declared in November, 1975.

**Listed Investments**

The Group's listed investments had the following market values:

At 31st March 1975 At 30th Sept. 1974 At 31st March 1974  
Market value — Listed investments 75,919 76,164 125,5  
Market value of T.C.L.'s holdings in Listed subsidiaries (not included in above) 20,341 20,235 23,5

**Group Capital Expenditure and Commitments**

Capital expenditure during the period under review amounted to R3.9 million and it is expected that further expenditure of some R15 million will be incurred over the remainder of the year. Commitments in respect of uncompleted contracts for buildings and plant and the acquisition of mineral and surface rights are estimated at R26.5 million. Witbank Colliery Limited—Proposed Scheme of Arrangement

As announced in the press on 19th March, 1975, Witbank Colliery Limited (Witbank) intends to propose a scheme of arrangement between Witbank and the holders of its ordinary and A shares which are not already owned by T.C. Lands. The scheme of arrangement, if carried into effect, will result in Witbank becoming a wholly-owned subsidiary of T.C. Lands.

The attention of shareholders is drawn to the following announcement made by Standard Merchant Bank Limited on 2nd May, 1975 on behalf of Witbank.

Standard Merchant Bank Limited is authorised to announce that with reference to the announcement made in the press on the 19th March, 1975, Witbank has decided that as an application by the South African Coal Industry for an increase in the price of coal is under consideration by the authorities concerned, the documentation in connection with the proposed scheme of arrangement between Witbank and its shareholders should be deferred until the result of that application is known so that it can be taken into account in the proposals and facts which will be published by this company's shareholders. The exchange of Transvaal Consolidated Land and Exploration Company Limited's shares for this company's shares in terms of the scheme of arrangement will require the shareholders to reconsider as a result of that application, substantial increases in price of coal are granted above those already allowed to this company's future projections on which the annual exchange ratios were based.

The meetings to consider the proposals whereby outstanding dividends payable in September, 1975 and March and September, 1976 on this company's ordinary shares will be paid earlier will also be deferred.

—Witbank

For and on behalf of the board  
A. C. Petersen (Chairman) & Direct  
Johannesburg, 7th May, 1975.

**DECLARATION OF DIVIDEND No. 71**

Notice is hereby given that Dividend No. 71 of 23 cents per share has been declared in respect of the six months ended 31st March, 1975, payable to shareholders registered in the book of the company at the close of business on 30th May, 1975, to persons presenting the appropriate coupon detached to bearer share







# FT SHARE INFORMATION SERVICE

## **HIRE PURCHASE**

**BUILDING INDUSTRY—Continued**

**ENGINEERING—Cont.**



**Distribution & Storage**  
Nationwide  
**alfred bell**  
Abbey Road,  
Park Royal,  
London NW10.  
Tel: 01-965 0011

# FINANCIAL TIMES

Thursday May 8 1975

The best place from which to reach any point on the circumference is the centre  
Bradford is the centre of Britain  
City of Bradford Metropolitan Council  
THE COUNCIL FOR A BETTER BRITAIN

## Pound down 1½% since Budget

BY MICHAEL BLANDEN

THE POUND dropped to another new low yesterday as it came under further pressure in foreign exchange markets.

Its average depreciation from December 1971 levels was 23.5 per cent. at the close, against 25.3 per cent. on the previous day.

The decline continues a steady weakening of sterling over the past two or three weeks, bringing the average rate down by nearly 1½ per cent. since last month's Budget. The further fall comes as Mr. Denis Healey, the Chancellor, is to be asked by a Con-

### WILSON AND PRESIDENT FORD MEET

BY PAUL LEWIS, U.S. EDITOR

PRESIDENT FORD to-day began the task of personally reassuring America's principal allies that the U.S. would still stand by its security commitments, despite foreign policy reverses in Indochina and elsewhere.

After an hour-long White House meeting to-day Mr. Harold Wilson said he had told the President the U.K. had no doubts about America's willingness to honour her international obligations, and that his view was shared by other European leaders.

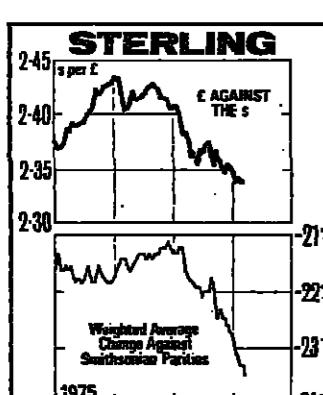
Earlier, the White House issued a statement specifically restating support for its allies in the Pacific and Asia, after Mr. Ford met the Prime Ministers of Australia and New Zealand, who like Mr. Wilson

are on their way back from the Commonwealth Conference in Jamaica. To-morrow, similar assurances will no doubt be given to the Prime Minister of Singapore when he calls on the President.

Mr. Wilson said he believed the U.S. remained determined to make NATO an effective instrument for Western defence and for the promotion of détente with the Soviet Union. He said that his commodity initiative in Jamaica had been warmly received by Mr. Ford and stressed the importance of the round of Ministerial meetings at the end of the month as sign of Western solidarity and strength.

Finally, Mr. Wilson addressed himself to recent signs of alarm in the U.S. over the trend of events in Britain, and particularly the state of the economy. These reached a new peak last night when Mr. Eric Sevareid, a leading television commentator whose views reach 20m. Americans every night, compared Britain with President Allende's Chile "wracked by class war and uncontrollable inflation, and no longer a reliable ally."

Looking weary but resigned, Mr. Wilson said he had been hearing this kind of criticism of Britain in America during the 30 years he had been visiting the country—"usually from those who got no further than the cocktail circuit in London." The Prime Minister went on: "We've been written off time and time again, but they were wrong in the past, and they are wrong now."



## Mercantile Credit has £8.4m. loss in first half

BY MARGARET REID

AFTER SETTING aside £11m. of exceptional provisions against its property lending portfolio, Mercantile Credit, the hire purchase and finance house concern, incurred a pre-tax loss of £8.4m. in the first half-year to March, compared with a previous £2.8m. profit.

The group, in which Barclays Bank and Commercial Union Assurance each have sizeable shareholdings, has shared in the twin problems of many secondary banks in suffering some pressure on its deposits, as well as experiencing erosion in the security of its property loans.

To replenish its deposits, it has received more than £100m. of loans from the big banks' support group which has assisted the secondary banks. It is the third largest recipient of such

backing, after United Dominions Trust, the largest finance house, and First National Finance Corporation.

In its interim statement, the Board of Mercantile Credit, headed by Mr. Daniel Nelmerthagen, says operating profit in the six months to March was a little down at £2.6m. against £2.8m.

But the £1m. of exceptional provisions against the property portfolio—on top of £3.5m. set aside in the 1973-74 accounts, mainly in respect of property loans—were felt to be prudent.

In making these provisions, the Board "has consulted its external property advisers and managers and has had their appraisals of the property portfolio examined by the group's auditors who, in so doing, have not undertaken an audit. They have, however, reviewed the

Company news, Page 21

No interim dividend is to be paid by the company, which also passed its final dividend in 1973-74. Shares of Mercantile Credit, which have ranged between 10p and 65p since the beginning of last year, closed 3p up at 31p last night.

See also Page 21

## National Freight £12.3m. loss last year is worst ever

FINANCIAL TIMES REPORTER

THE STATE-OWNED National Freight Corporation, whose interests include British Road Services, National Carriers, Pickfords and a majority holding in Freightliners, lost £12.3m. last year, after paying £7.7m. in interest charges to the Government. This was the corporation's biggest loss since it was set up six years ago.

Sir Daniel Pottit, the chairman, warns that this year "shows all the signs of a substantial worsening which only a sharp reduction in resources can temper."

The main cause of the deterioration in the group's performance was the downturn in economic activity. All the group's activities, which together are responsible for about 15 per cent. of all freight movements in the country, are sensitive to changes in the economic situation, the corporation states in its report.

But the major part of last year's loss accrued in two areas: National Carriers, which has "intransigent financial burdens inherited from the past"; and Pickfords International, which was in the process of expanding its operations on the Continent when the recession began.

According to Sir Daniel, about three-quarters of last year's loss

could be attributed to National Carriers. This includes National less made towards its long-term carriers' £5m. trading loss, its objective of broadening the base share of the cost of servicing its activities. Recent developments have included expansion into temperature-controlled distribution and storage in Britain and France, the acquiring of a leading shipping and forwarding agency for the wine industry and further specialisation in contract hire which "provides better margins with less fluctuation."

The nationalised Scottish Transport Group lost £2.6m. last year after achieving a £1.8m. profit in 1973.

The group, which runs 4,500 buses, a fleet of ships, a transport company and insurance and travel and tourism business, puts part of the blame on a busmen's strike at the end of the year.

The other main reasons for the loss were inflation, price constraints and the deferment of some fare increases, Sir Patrick Thomas said in Glasgow yesterday.

He said: "We are experiencing a drop of the order of 10-11 per cent. in traffic on our bus operation. But we are committed as a group to pay our way and the public must pay the true price for the cost of the service."

See also Page 22

## Car 'dumping' for U.K. Govt.

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

THE EEC has refused to consider the British motor industry's complaint of alleged dumping of Japanese cars in Britain.

Instead, it has told the Society of Motor Manufacturers and Traders that the case must be presented to the British Government. Under the Treaty of Accession, which brought Britain into the Common Market, any dumping proceedings remain exclusively a British matter until the U.K. accedes to full membership in 1978, the Commission said.

The SMMT, which acts for the whole of the British industry, including the Japanese importers, took its case to Brussels on the advice of the British authorities. But at the same time there have been increasing signs of activity in the various Government departments dealing with Japanese trade.

Only last week the head of the automobile division of the International Trade and Industry (MITI) visited London for meetings with several Ministers and also called on the SMMT. Discussions included the dumping issue and the question of Japan providing inspectors to visit Britain for car testing procedures.

The testing question also being pursued by trade officials in Tokyo, has assumed considerable importance in the discussions because it concerns the dimen-

sions of the Japanese market. The penetration by 70 per cent. over the same period last year.

Privately, the British manufacturers are sceptical about the possibilities of proving a dumping case against the Japanese. But they all feel they are not getting a fair crack at the Japanese market, because of their testing methods. It is harder to change models outside the country than at home and alleged delays in providing information on new regulations.

The SMMT, which also met the MITI delegation in London last week, was alarmed at the low degree of penetration the Japanese are predicting for foreign cars in their own market in the years ahead. These predictions show little possibility of Britain achieving the kind of sales—about 85,000 cars which Japan achieved in Britain last year.

The imbalance—Britain sells about 1,000 cars a year in Japan—has increased alarmingly this year, with both Datsun and Toyota improving on their 1974 sales. In March, for instance, Datsun sold 6,200 cars, against 4,900 last year and Toyota 2,300 against 1,340.

Last month's figures, due to be published later this week, will show that importers have almost gained 40 per cent. of the market—and achieved their highest-ever figures—and that both Japan and the Eastern bloc countries have increased that in certain important

respects it was even more damaging to industry than the White Paper. The Regeneration of British Industry, on which it was based.

Lord Watkinson said that a more balanced judgment was needed on the more controversial and divisive measures before Parliament, particularly the industry—Bill.

Later, Mr. Ralph Bateman, president of the CBI, issued a statement on the Industry Bill, now in its committee stage in the Commons. This said: "Last

February, I and a number of my colleagues had two meetings with the Prime Minister, protesting that this was the very grave concern of industry about the proposed Bill. In particular, we pointed out

that information was "needed to formulate and monitor a planning agreement."

"In the Bill, the disclosure powers are general and totally unrelated to planning agreements. Yesterday, the Commons Standing Committee voted down an amendment to re-establish the link between compulsory disclosure of information and planning agreements. I have told the Prime Minister that we are extremely disturbed that this conflicts with previous assurances given by him and his colleagues in the debate on Clause 20 of the Bill."

The statement continued: "Today, I have written to the Prime Minister, protesting that, in spite of these assurances, the Government yesterday voted in favour of an amendment to Clause 20 of the Bill, which would be

## THE LEX COLUMN

# Paying the man from the Pru

WASHINGTON, May 7.

An echo of Mr. Sevareid's pessimistic comments about Britain's future came from Dr. Kissinger earlier to-day in a television interview. Although the Secretary of State did not mention any countries by name, he mused gloomily about "the erosion of the free world" and expressed concern about the Left's drift in Europe.

In his talk, Mr. Sevareid said Mr. Ford had pointedly omitted Britain from his visit to Europe last month, although Britain was once considered America's closest ally. But this move was not in doubt, as the unions took over Parliament's power, the economy "disintegrated" and the country drifted into a weak and dispirited state where it was unable to play any role in world affairs—but which suited Russia's interests nicely.

Index rose 11.8 to 322.9

It is the Prudential's first ever rights issue, and since it does not want to make a habit of raising money the issue is a fairly large one—the terms of one-for-five at 105p will bring in almost £45m. before expenses. As this is the fourth, large insurance company rights issue within eight months the basic solvency margin arguments do not need to be gone over again, but there are several new twists in this case. First, the cash is required to support the general business of the group—which produced only 28 per cent. of profits the last year—rather than the predominant life business. Second, the argument for the issue is partly based on the new insurance legislation which is said to produce a current solvency margin for non-life business of only 21 per cent., which the proceeds will boost to some 66 per cent. Meanwhile, Mercantile's first half operating profits are less than in either half of 1974, apparently, trimmed by the

sector as a whole, 25 per cent. below.

The group is still progressing with expansion—posing to increase sales by 17.2 per cent. this year, after rises of 21 per cent. in 1974. The latter figure suggests that last year's estimates were not as accurate as the market now believes. This high level of spending, plus working capital pressures, pushed net term borrowings from £22.3m. to £22.5m., though total debt is still probably under £100m. of shareholders' funds.

In the current year, the group is anticipating a 25 per cent. increase in there must inevitably be short-term concern about evidence of consumer slowdown. The market now has few doubts about the group's ability to maintain a enviable record, to 19.3 per cent. and 4.2 per cent. at 168p. See also Page 21

### Laporte

Laporte Industries Ltd. went ahead with its £10m. rights issue, despite a decline in earnings of 25 per cent. in 1974. There must be short-term concern about evidence of consumer slowdown. The market now has few doubts about the group's ability to maintain an enviable record, to 19.3 per cent. and 4.2 per cent. at 168p. See also Page 21

### Sainsbury

Sainsbury's growth rate slowed down sharply in the second half of 1974-75 with a negligible increase in volume sales after an 11 per cent. rise at the half-way stage. So the increase in turnover (excluding VAT) was clipped from 30 to 19.3 per cent. between the two halves, though the figures are somewhat distorted by comparison with the buoyant September to March period of 1973-74. Anyway, the 1974-75 outcome is a 7.4 per cent. pre-tax rise to £14.63m., which is a good deal better than most food retailers are likely to achieve.

Before yesterday's negotiations, the strikers had rejected an offer of £6.25 a week for women and between £7 and £8 a week for men. They demand all-round increases of £10 to cut the gap between their earnings and those of their 2,000 manual worker colleagues (who have been made idle) and to match the £40 minimum clerical rate achieved at some other companies in the Coventry area.

In the light of yesterday's developments, which followed a meeting of the strike committee, British Leyland is not expected to announce any more lay-offs, in the hope that the potentially very damaging dispute is resolved.

The Leyland lay-off situation, caused by the lack of essential suspension units and wheels from Dunlop's Coventry engineering plants, is that some 13,000 workers are idle at Cowley, Longbridge and Speke, near Liverpool, with production of Marinas, 18/22s, Maxis, Allegros and Triumph TR6s at a standstill.

Chrysler pay demands Page 13

### Mercantile Credit

Last December Mercantile Credit's auditors Deloittes agreed that the £23.5m. write-down of its £80m. property lending book was "realistic."

Now the auditors declare that

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Unions condemn BSC job-cut plan

BY CHRISTIAN TYLER, LABOUR STAFF

STEEL UNIONS yesterday condemned the British Steel Corporation's proposals for a man-made communities of the kind envisaged by the BSC. It would also make them amount to a complete farce of all the work creation of mass unemployment which has gone into the tripartite review of the BSC's proposals to close a large number of steelworks throughout the country.

The statement was put out by the TUC steel committee, the official voice of TUC-affiliated unions in the industry, and followed a round of Government-BSC union meetings on Monday.

Craftsmen have submitted a claim for "substantial" rises, plus a new threshold arrangement. The process workers, represented by the Iron and Steel Trades Confederation, will decide their claim at a meeting of the ISTC executive to-day.

Yesterday's attack came in a statement which said the BSC's proposals "could not be more extreme," although they are also increasing their penetration of the U.K. market, mainly because British prices have soared so swiftly in the last six months.

"Not only is it out of accord with present-day thinking

made public.

See also Page 21

COWIE FLEET

COWIE FLEET